

Senate File 2420 - Enrolled

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SENATE FILE 2420

AN ACT

RELATING TO AND INCREASING MOTOR VEHICLE AND TRAILER REGISTRATION FEES AND TITLE FEES, ALLOCATING NEW REVENUES FROM FEES TO THE TIME=21 FUND, REQUIRING THE DEPARTMENT OF TRANSPORTATION TO CONDUCT AN ANALYSIS OF TIME=21 FUNDING AND A STUDY OF PUBLIC TRANSIT FUNDING, INCREASING THE MOTORCYCLE OPERATOR'S LICENSE FEE AND ALLOCATING THE INCREASED REVENUE TO THE MOTORCYCLE RIDER EDUCATION FUND, REALLOCATING CERTAIN FEES COLLECTED BY THE DEPARTMENT OF TRANSPORTATION, REPEALING THE USE TAX ON VEHICLES SUBJECT TO REGISTRATION AND THE USE TAX ON CERTAIN LEASED MOTOR VEHICLES, ESTABLISHING A FEE FOR NEW REGISTRATION OF VEHICLES, PROVIDING PENALTIES, AND PROVIDING EFFECTIVE AND APPLICABILITY DATES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I MOTOR VEHICLES

Section 1. Section 312.2, Code Supplement 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 19. a. The treasurer of state, before making the allotments provided for in this section, shall credit annually to the TIME=21 fund created in section 312A.2, the revenue accruing to the road use tax fund from annual motor vehicle registration fees for passenger cars, multipurpose vehicles, and motor trucks in excess of three hundred ninety-two million dollars annually.

b. This subsection is repealed June 30, 2028.

Sec. 2. Section 321.1, Code 2007, is amended by adding the following new subsection:

NEW SUBSECTION. 7A. "Business=trade truck" means a motor truck with an unladen weight of ten thousand pounds or less which is owned by a corporation, limited liability company, or partnership or by a person who files a schedule C or schedule F form with the federal internal revenue service and which is eligible for depreciation under section 167 of the Internal Revenue Code. If the motor truck is a leased vehicle, the motor truck is a business=trade truck only if the lessee is a corporation, limited liability company, or partnership and the truck is used primarily for purposes of the business operations of the corporation, limited liability company, or partnership or the lessee is a person who files a schedule C or schedule F form with the federal internal revenue service and the truck is used primarily for purposes of the person's own business or farming operation.

Sec. 3. Section 321.109, subsection 1, paragraph a, Code 2007, is amended to read as follows:

a. The annual fee for all motor vehicles including vehicles designated by manufacturers as station wagons, and 1993 and subsequent model ~~years for year~~ multipurpose vehicles, and 2010 and subsequent model year motor trucks with an unladen weight of ten thousand pounds or less, except motor trucks registered under section 321.122, business=trade trucks, special trucks, motor homes, ambulances, hearses, motorcycles, motorized bicycles, and 1992 and older model years for year multipurpose vehicles, shall be equal to one percent of the value as fixed by the department plus forty cents for each one hundred pounds or fraction thereof of weight of vehicle, as fixed by the department. The weight of a motor vehicle, fixed by the department for registration purposes, shall include the weight of a battery, heater, bumpers, spare tire, and wheel. Provided, however, that for any new vehicle purchased in this state by a nonresident for removal to the nonresident's state of residence the purchaser may make application to the county treasurer in the county of purchase for a transit plate for which a fee of ten dollars shall be paid. And provided, however, that for any used vehicle held by a registered dealer and not currently registered in this state, or for any vehicle held by an individual and currently registered in this state, when purchased in this state by a nonresident for removal to the

3 4 nonresident's state of residence, the purchaser may make
3 5 application to the county treasurer in the county of purchase
3 6 for a transit plate for which a fee of three dollars shall be
3 7 paid. The county treasurer shall issue a nontransferable
3 8 certificate of registration for which no refund shall be
3 9 allowed; and the transit plates shall be void thirty days
3 10 after issuance. Such purchaser may apply for a certificate of
3 11 title by surrendering the manufacturer's or importer's
3 12 certificate or certificate of title, duly assigned as provided
3 13 in this chapter. In this event, the treasurer in the county
3 14 of purchase shall, when satisfied with the genuineness and
3 15 regularity of the application, and upon payment of a fee of
3 16 ten dollars, issue a certificate of title in the name and
3 17 address of the nonresident purchaser delivering the title to
3 18 the owner. If there is a security interest noted on the
3 19 title, the county treasurer shall mail to the secured party an
3 20 acknowledgment of the notation of the security interest. The
3 21 county treasurer shall not release a security interest that
3 22 has been noted on a title issued to a nonresident purchaser as
3 23 provided in this paragraph. The application requirements of
3 24 section 321.20 apply to a title issued as provided in this
3 25 subsection, except that a natural person who applies for a
3 26 certificate of title shall provide either the person's social
3 27 security number, passport number, or driver's license number,
3 28 whether the license was issued by this state, another state,
3 29 or another country. The provisions of this subsection
3 30 relating to multipurpose vehicles are effective ~~January 1,~~
~~3 31 1993,~~ for all 1993 and subsequent model years. The annual
3 32 registration fee for multipurpose vehicles that are 1992 model
3 33 years and older shall be in accordance with section 321.124.
3 34 Sec. 4. Section 321.113, Code 2007, is amended to read as
3 35 follows:

4 1 321.113 AUTOMATIC REDUCTION.
4 2 1. The annual registration fee for a motor vehicle shall
4 3 not be automatically reduced under this section unless the
4 4 ~~registration~~ fee is based on the value and weight of the motor
4 5 vehicle as provided in section 321.109, subsection 1.
4 6 2. If a motor vehicle is more than ~~five~~ seven model years
4 7 old, the part of the annual registration fee that is based on
4 8 the value of the vehicle shall be seventy-five percent of the
4 9 rate as fixed when the motor vehicle was new and the total fee
~~4 10 shall not be less than fifty dollars; except that if the~~
~~4 11 registration is a renewal for a vehicle registered to the same~~
~~4 12 owner prior to January 1, 2009, the annual registration fee~~
~~4 13 shall not be more than the fee paid for the previous~~
~~4 14 registration year.~~
4 15 3. If a motor vehicle is more than ~~six~~ nine model years
4 16 old, the part of the annual registration fee that is based on
4 17 the value of the vehicle shall be fifty percent of the rate as
4 18 fixed when the motor vehicle was new and the total fee shall
~~4 19 not be less than fifty dollars; except that if the~~
~~4 20 registration is a renewal for a vehicle registered to the same~~
~~4 21 owner prior to January 1, 2009, the annual registration fee~~
~~4 22 shall not be more than the fee paid for the previous~~
~~4 23 registration year.~~
4 24 4. ~~If a 1994 model year or newer motor vehicle is nine~~
~~4 25 model years old or older the registration fee is thirty-five~~
~~4 26 dollars. For purposes of determining the portion of the~~
~~4 27 registration fee under this subsection that is based upon the~~
~~4 28 value of the motor vehicle, sixty percent of the registration~~
~~4 29 fee is attributable to the value of the vehicle.~~
4 30 5. ~~a. If a 1993 model year or older motor vehicle has~~
~~4 31 been titled in the same person's name since the vehicle was~~
~~4 32 new or the title to the vehicle was transferred prior to~~
~~4 33 January 1, 2002, the part of the registration fee that is~~
~~4 34 based on the value of the vehicle shall be ten percent of the~~
~~4 35 rate as fixed when the motor vehicle was new.~~
5 1 ~~b. If the title of a 1993 model year or older motor~~
~~5 2 vehicle is transferred to a new owner or if such a motor~~
~~5 3 vehicle is brought into the state on or after January 1, 2002,~~
~~5 4 the registration fee shall not be based on the weight and list~~
~~5 5 price of the motor vehicle, but shall be as follows:~~
5 6 ~~(1) For a motor vehicle that is model year~~
~~5 7 1969 or older:..... \$ 16.00~~
5 8 ~~(2) For a motor vehicle that is model year~~
~~5 9 1970 through 1989:..... \$ 23.00~~
5 10 ~~(3) For a motor vehicle that is model year~~
~~5 11 1990 through 1993:..... \$ 27.00~~
5 12 ~~For purposes of determining the portion of the registration~~
~~5 13 fee under this paragraph "b" that is based upon the value of~~
~~5 14 the motor vehicle, sixty percent of the registration fee is~~

~~5 15 attributable to the value of the vehicle.~~
~~5 16 4. a. Except as provided in paragraph "b", if a motor~~
~~5 17 vehicle is twelve model years old or older, the annual~~
~~5 18 registration fee is fifty dollars; except that if the~~
~~5 19 registration is a renewal for a vehicle registered to the same~~
~~5 20 owner prior to January 1, 2009, the annual registration fee~~
~~5 21 shall not be more than the fee paid for the previous~~
~~5 22 registration year.~~
~~5 23 b. If the registration is a renewal for a motor vehicle~~
~~5 24 registered as an antique vehicle by the same owner prior to~~
~~5 25 January 1, 2009, the annual registration fee shall be~~
~~5 26 twenty-three dollars for a motor vehicle that is model year~~
~~5 27 1970 through 1983 and sixteen dollars for a motor vehicle that~~
~~5 28 is model year 1969 or older.~~
~~5 29 c. For purposes of determining the portion of an annual~~
~~5 30 registration fee under paragraph "a" or "b" that is based upon~~
~~5 31 the value of the motor vehicle, sixty percent of the annual~~
~~5 32 registration fee is attributable to the value of the vehicle.~~

5 33 Sec. 5. NEW SECTION. 321.120 BUSINESS=TRADE TRUCKS.
5 34 1. The annual registration fee for a business=trade truck
5 35 shall be determined pursuant to section 321.122, subsection 1,
6 1 paragraph "a".

6 2 2. Upon application for a new registration, an owner who
6 3 registers a motor vehicle as a business=trade truck shall be
6 4 required to provide proof or affirm that the vehicle meets the
6 5 definition of a business=trade truck. The department may
6 6 adopt rules as necessary to prescribe the documentation
6 7 required of the applicant as proof or affirmation under this
6 8 subsection but shall not require that such documentation be
6 9 notarized. If requested by the department of transportation
6 10 or a county treasurer, the department of revenue shall confirm
6 11 or refute, according to the most recent records available,
6 12 that an applicant for registration of a business=trade truck
6 13 is either a corporation, limited liability company, or
6 14 partnership or a person who files a schedule C or schedule F
6 15 form for federal income tax purposes and that the corporation,
6 16 limited liability company, partnership, or person is allowed a
6 17 depreciation deduction with respect to the vehicle under
6 18 section 167 of the Internal Revenue Code.

6 19 3. Upon approval of the application and payment of the
6 20 proper fees, the county treasurer shall issue registration
6 21 plates for the vehicle which distinguish the vehicle as a
6 22 business=trade truck.

6 23 4. If the department determines by audit or other means
6 24 that a person has registered a vehicle as a business=trade
6 25 truck that is not qualified for such registration, the person
6 26 shall be required to pay the difference between the regular
6 27 annual registration fees owed for the vehicle for each year
6 28 the vehicle was registered in violation of this section and
6 29 the fees actually paid.

6 30 5. If the department determines by audit or other means
6 31 that the person had knowingly registered a vehicle as a
6 32 business=trade truck that is not qualified for such
6 33 registration, the person shall be required to pay a penalty
6 34 for improper registration in the amount of seven hundred fifty
6 35 dollars for each registration year in which the vehicle was
7 1 registered in violation of this section, not to exceed two
7 2 thousand two hundred fifty dollars.

7 3 Sec. 6. Section 321.121, Code 2007, is amended to read as
7 4 follows:

7 5 321.121 SPECIAL TRUCKS FOR FARM USE.

7 6 1. a. Except as provided in paragraph "b", the annual
7 7 registration fee for a special truck with a gross weight of
7 8 six tons shall be one hundred dollars, and the annual
7 9 registration fee for a special truck with a gross weight
7 10 exceeding six tons but not exceeding eighteen tons shall be as
7 11 follows:

		The annual
For a gross	And not	registration
weight exceeding:	exceeding:	fee shall be:
6 Tons	7 Tons	\$ 125
7 Tons	8 Tons	\$ 155
8 Tons	9 Tons	\$ 170
9 Tons	10 Tons	\$ 190
10 Tons	11 Tons	\$ 205
11 Tons	12 Tons	\$ 225
12 Tons	13 Tons	\$ 245
13 Tons	14 Tons	\$ 265
14 Tons	15 Tons	\$ 280
15 Tons	16 Tons	\$ 295
16 Tons	17 Tons	\$ 305

7 26 17 Tons 18 Tons \$ 315
7 27 b. ~~The~~ If the registration is a renewal for a special
7 28 truck registered to the same owner prior to January 1, 2009,
7 29 the annual registration fee for a special truck shall be
7 30 eighty dollars for a gross weight of six tons, one hundred
7 31 dollars for a gross weight of seven tons, one hundred twenty
7 32 dollars for a gross weight of eight tons, and in addition,
7 33 fifteen dollars for each ton over eight tons and not exceeding
7 34 eighteen tons.

7 35 c. The registration fee for a special truck with a gross
8 1 weight registration exceeding eighteen tons but not exceeding
8 2 nineteen tons shall be three hundred twenty-five dollars and
8 3 for a gross weight registration exceeding nineteen tons but
8 4 not exceeding twenty tons the registration fee shall be three
8 5 hundred seventy-five dollars.
8 6 d. The additional registration fee for a special truck for
8 7 a gross weight registration in excess of twenty tons is
8 8 twenty-five dollars for each ton over twenty tons and not
8 9 exceeding thirty-two tons.

8 10 2. A person convicted of or found by audit to be using a
8 11 motor vehicle registered as a special truck for any purpose
8 12 other than permitted by section 321.1, subsection 76, shall,
8 13 in addition to any other penalty imposed by law, be required
8 14 to pay regular motor vehicle registration fees upon such motor
8 15 vehicle.

8 16 Sec. 7. Section 321.122, subsection 1, Code 2007, is
8 17 amended to read as follows:

8 18 1. The annual registration fee for truck tractors, road
8 19 tractors, and motor trucks, except 2010 and subsequent model
8 20 year motor trucks required to be registered under section
8 21 321.109 and motor trucks registered as special trucks, shall
8 22 be based on the combined gross weight of the vehicle or
8 23 combination of vehicles. All such trucks, truck tractors, or
8 24 road tractors registered under this section shall be
8 25 registered for a gross weight equal to or in excess of the
8 26 unladen weight of the vehicle or combination of vehicles. The
8 27 annual registration fee for such vehicles or combination of
8 28 vehicles, except special trucks, shall be+ the applicable fee
8 29 under paragraph "a" or "b".

8 30 a. (1) ~~For a combined gross weight of three tons or less~~
8 31 ~~sixty-five dollars and a vehicle which is more than ten model~~
8 32 ~~years old fifty-five dollars and a vehicle which is more than~~
8 33 ~~thirteen model years old forty-five dollars and a vehicle~~
8 34 ~~which is more than fifteen years old thirty-five dollars For a~~
8 35 ~~combined gross weight of three tons or less, the annual~~
9 1 ~~registration fee is one hundred fifty dollars; for such a~~
9 2 ~~vehicle more than seven model years old, one hundred twenty~~
9 3 ~~dollars; for such a vehicle more than nine model years old,~~
9 4 ~~one hundred dollars; and for such a vehicle twelve model years~~
9 5 ~~old or older, fifty dollars.~~

9 6 b. (2) For a combined gross weight exceeding three tons,
9 7 the annual registration fee shall be as set forth in the
9 8 following schedule:

9 9 For a combined	And not	The annual
gross weight	exceeding:	registration
9 11 exceeding:		fee shall be:
9 12 3 Tons	4 Tons	\$ 80
9 13		165
9 14 4 Tons	5 Tons	\$ 90
9 15		180
9 16 5 Tons	6 Tons	\$ 105
9 17		195
9 18 6 Tons	7 Tons	\$ 130
9 19		215
9 20 7 Tons	8 Tons	\$ 165
9 21		220
9 22 8 Tons	9 Tons	\$ 200
9 23		225
9 24 9 Tons	10 Tons	\$ 235
9 25 10 Tons	11 Tons	\$ 270
9 26 11 Tons	12 Tons	\$ 305
9 27 12 Tons	13 Tons	\$ 340
9 28 13 Tons	14 Tons	\$ 375
9 29 14 Tons	15 Tons	\$ 445
9 30 15 Tons	16 Tons	\$ 485
9 31 16 Tons	17 Tons	\$ 525
9 32 17 Tons	18 Tons	\$ 565
9 33 18 Tons	19 Tons	\$ 610
9 34 19 Tons	20 Tons	\$ 675
9 35 20 Tons	21 Tons	\$ 715
10 1 21 Tons	22 Tons	\$ 755

10	2	22 Tons	23 Tons	\$ 795
10	3	23 Tons	24 Tons	\$ 835
10	4	24 Tons	25 Tons	\$ 965
10	5	25 Tons	26 Tons	\$1,010
10	6	26 Tons	27 Tons	\$1,060
10	7	27 Tons	28 Tons	\$1,105
10	8	28 Tons	29 Tons	\$1,150
10	9	29 Tons	30 Tons	\$1,200
10	10	30 Tons	31 Tons	\$1,245
10	11	31 Tons	32 Tons	\$1,295
10	12	32 Tons	33 Tons	\$1,340
10	13	33 Tons	34 Tons	\$1,415
10	14	34 Tons	35 Tons	\$1,465
10	15	35 Tons	36 Tons	\$1,510
10	16	36 Tons	37 Tons	\$1,555
10	17	37 Tons	38 Tons	\$1,605
10	18	38 Tons	39 Tons	\$1,650
10	19	39 Tons	40 Tons	\$1,695

10 20 b. If the registration is a renewal for a motor vehicle
10 21 with a combined gross weight of nine tons or less registered
10 22 to the same owner prior to January 1, 2009, the following
10 23 applies:

10 24 (1) For a combined gross weight of three tons or less, the
10 25 annual registration fee is sixty-five dollars; for such a
10 26 vehicle which is more than ten model years old, fifty-five
10 27 dollars; for such a vehicle which is more than thirteen model
10 28 years old, forty-five dollars; and for such a vehicle which is
10 29 more than fifteen model years old, thirty-five dollars.

10 30 (2) For a combined gross weight exceeding three tons but
10 31 not exceeding nine tons, the annual registration fee shall be
10 32 as set forth in the following schedule:

10 33 <u>For a combined</u>	10 34 <u>And not</u>	10 35 <u>The annual</u>
10 36 <u>gross weight</u>	10 37 <u>exceeding:</u>	10 38 <u>registration</u>
10 39 <u>exceeding:</u>		10 40 <u>fee shall be:</u>
11 1 <u>3 Tons</u>	11 2 <u>4 Tons</u>	11 3 <u>\$ 80</u>
11 4 <u>4 Tons</u>	11 5 <u>5 Tons</u>	11 6 <u>\$ 90</u>
11 7 <u>5 Tons</u>	11 8 <u>6 Tons</u>	11 9 <u>\$ 105</u>
11 10 <u>6 Tons</u>	11 11 <u>7 Tons</u>	11 12 <u>\$ 130</u>
11 13 <u>7 Tons</u>	11 14 <u>8 Tons</u>	11 15 <u>\$ 165</u>
11 16 <u>8 Tons</u>	11 17 <u>9 Tons</u>	11 18 <u>\$ 200</u>

11 7 c. For a combined gross weight exceeding forty tons, the
11 8 annual registration fee shall be one thousand six hundred
11 9 ninety-five dollars plus eighty dollars for each ton over
11 10 forty tons.

11 11 Sec. 8. Section 321.152, Code 2007, is amended to read as
11 12 follows:

11 13 321.152 FEE FOR COLLECTION FEES RETAINED BY COUNTY.

11 14 1. A county treasurer may retain for deposit in the county
11 15 general fund the following:

11 16 1- a. Four percent of the total collection for each
11 17 annual or semiannual vehicle registration and each duplicate
11 18 registration card or plate issued.

11 19 2- b. Two dollars and fifty cents from each fee collected
11 20 for certificates of title.

11 21 3- c. Forty percent of all fees collected for certified
11 22 copies of certificates of title.

11 23 4- d. Sixty percent of all fees collected for perfection
11 24 of security interests.

11 25 e. Twenty-five percent of each penalty collected for
11 26 improper business=trade truck registration under section

11 27 321.120, subsection 5.

11 28 2. The moneys retained under subsection 1 shall be
11 29 deducted, and reported to the department when the county
11 30 treasurer transfers the money collected under this chapter.
11 31 However, a deduction is not lawful unless the county treasurer
11 32 has complied with sections 321.24 and 321.153.

11 33 3. This section does not apply to fees collected or
11 34 retained by a county treasurer pursuant to participation in
11 35 county issuance of driver's licenses under chapter 321M.

12 1 Sec. 9. Section 422.20, subsection 3, unnumbered paragraph
12 2 1, Code 2007, is amended to read as follows:

12 3 Unless otherwise expressly permitted by section 8A.504,
12 4 section 421.17, subsections 22, 23, and 26, sections 252B.9,
12 5 321.120, 421.19, 421.28, 422.72, and 452A.63, and this
12 6 section, a tax return, return information, or investigative or
12 7 audit information shall not be divulged to any person or
12 8 entity, other than the taxpayer, the department, or internal
12 9 revenue service for use in a matter unrelated to tax
12 10 administration.

12 11 Sec. 10. Section 422.72, subsection 3, unnumbered
12 12 paragraph 1, Code 2007, is amended to read as follows:

12 13 Unless otherwise expressly permitted by section 8A.504,
12 14 section 421.17, subsections 22, 23, and 26, sections 252B.9,
12 15 321.120, 421.19, 421.28, 422.20, and 452A.63, and this
12 16 section, a tax return, return information, or investigative or
12 17 audit information shall not be divulged to any person or
12 18 entity, other than the taxpayer, the department, or internal
12 19 revenue service for use in a matter unrelated to tax
12 20 administration.

12 21 Sec. 11. EFFECTIVE DATE AND APPLICABILITY. This division
12 22 of this Act takes effect January 1, 2009, and applies to
12 23 vehicles registered for registration years beginning in 2009
12 24 and subsequent years.

12 25 DIVISION II
12 26 TITLE FEES

12 27 Sec. 12. Section 312.2, Code Supplement 2007, is amended
12 28 by adding the following new subsection:

12 29 NEW SUBSECTION. 20. a. The treasurer of state, before
12 30 making the allotments provided for in this section, shall
12 31 credit monthly to the TIME=21 fund created in section 312A.2,
12 32 an amount equal to ten dollars from each fee for issuance of a
12 33 certificate of title collected pursuant to sections 321.20;
12 34 321.20A; 321.23; 321.42; 321.46, other than a title issued for
12 35 a returned vehicle under section 322G.12; section 321.47; and
13 1 section 321.109 and an amount equal to eight dollars from each
13 2 fee collected for issuance of a certificate of title pursuant
13 3 to section 321.46 for a returned vehicle under section 322G.12
13 4 and from each fee collected for issuance of a salvage
13 5 certificate of title pursuant to section 321.52.

13 6 b. This subsection is repealed June 30, 2028.

13 7 Sec. 13. Section 321.20, subsection 1, unnumbered
13 8 paragraph 1, Code 2007, is amended to read as follows:

13 9 Except as provided in this chapter, an owner of a vehicle
13 10 subject to registration shall make application to the county
13 11 treasurer of the county of the owner's residence, or if a
13 12 nonresident, to the county treasurer of the county where the
13 13 primary users of the vehicle are located, or if a lessor of
13 14 the vehicle pursuant to chapter 321F which vehicle has a gross
13 15 vehicle weight of less than ten thousand pounds, to the county
13 16 treasurer of the county of the lessee's residence, or if a
13 17 firm, association, or corporation with vehicles in multiple
13 18 counties, the owner may make application to the county
13 19 treasurer of the county where the primary user of the vehicle
13 20 is located, for the registration and issuance of a certificate
13 21 of title for the vehicle upon the appropriate form furnished
13 22 by the department. However, upon the transfer of ownership,
13 23 the owner of a vehicle subject to the proportional
13 24 registration provisions of chapter 326 shall make application
13 25 for registration and issuance of a certificate of title to
13 26 either the department or the appropriate county treasurer.
13 27 The application shall be accompanied by a fee of ~~ten~~ twenty
13 28 dollars, and shall bear the owner's signature. A nonresident
13 29 owner of two or more vehicles subject to registration may make
13 30 application for registration and issuance of a certificate of
13 31 title for all vehicles subject to registration to the county
13 32 treasurer of the county where the primary user of any of the
13 33 vehicles is located. The owner of a mobile home or
13 34 manufactured home shall make application for a certificate of
13 35 title under this section from the county treasurer of the
14 1 county where the mobile home or manufactured home is located.
14 2 The application shall contain:

14 3 Sec. 14. Section 321.20A, subsection 1, Code 2007, is
14 4 amended to read as follows:

14 5 1. Notwithstanding other provisions of this chapter, the
14 6 owner of a commercial vehicle subject to the proportional
14 7 registration provisions of chapter 326 may make application to
14 8 the department or the appropriate county treasurer for a
14 9 certificate of title. The application for certificate of
14 10 title shall be made within thirty days of purchase or transfer
14 11 and shall be accompanied by a ~~ten~~ twenty dollar title fee and
14 12 the appropriate use tax. The department or the county
14 13 treasurer shall deliver the certificate of title to the owner
14 14 if there is no security interest. If there is a security
14 15 interest, the title, when issued, shall be delivered to the
14 16 first secured party. Delivery may be made using electronic
14 17 means.

14 18 Sec. 15. Section 321.23, subsections 1 and 4, Code 2007,
14 19 are amended to read as follows:

14 20 1. If the vehicle to be registered is a specially
14 21 constructed, reconstructed, or foreign vehicle, such fact
14 22 shall be stated in the application. A fee of ~~ten~~ twenty
14 23 dollars shall be paid by the person making the application

14 24 upon issuance of a certificate of title by the county
14 25 treasurer. For a specially constructed or reconstructed motor
14 26 vehicle subject to registration, the application shall be
14 27 accompanied by a statement from the department authorizing the
14 28 motor vehicle to be titled and registered in this state. The
14 29 department shall cause a physical inspection to be made of all
14 30 specially constructed or reconstructed motor vehicles, upon
14 31 application for a certificate of title by the owner, to
14 32 determine whether the motor vehicle complies with the
14 33 definition of specially constructed motor vehicle or
14 34 reconstructed motor vehicle in this chapter and to determine
14 35 that the integral component parts are properly identified and
15 1 that the rightful ownership is established before issuing the
15 2 owner the authority to have the motor vehicle registered and
15 3 titled. The purpose of the physical inspection under this
15 4 section is not to determine whether the motor vehicle is in a
15 5 condition safe to operate. The owner of a specially
15 6 constructed or reconstructed vehicle shall apply for a
15 7 certificate of title and registration for the vehicle at the
15 8 county treasurer's office within thirty days of the
15 9 inspection. For a foreign vehicle which has been registered
15 10 outside this state, the owner shall surrender to the treasurer
15 11 all registration plates, registration cards, and certificates
15 12 of title, or if the vehicle to be registered is from a
15 13 nontitle state, the evidence of foreign registration and
15 14 ownership as may be prescribed by the department except as
15 15 provided in subsection 2.

15 16 4. A vehicle which does not meet the equipment
15 17 requirements of this chapter due to the particular use for
15 18 which it is designed or intended, may be registered by the
15 19 department upon payment of appropriate fees and after
15 20 inspection and certification by the department that the
15 21 vehicle is not in an unsafe condition. A person is not
15 22 required to have a certificate of title to register a vehicle
15 23 under this subsection. If the owner elects to have a
15 24 certificate of title issued for the vehicle, a fee of ~~ten~~
15 25 twenty dollars shall be paid by the person making the
15 26 application upon issuance of a certificate of title. If the
15 27 department's inspection reveals that the vehicle may be safely
15 28 operated only under certain conditions or on certain types of
15 29 roadways, the department may restrict the registration to
15 30 limit operation of the vehicle to the appropriate conditions
15 31 or roadways. This subsection does not apply to snowmobiles as
15 32 defined in section 321G.1. Section 321.382 does not apply to
15 33 a vehicle registered under this subsection which is operated
15 34 exclusively by a person with a disability who has obtained a
15 35 persons with disabilities parking permit as provided in
16 1 section 321L.2, if the persons with disabilities parking
16 2 permit is carried in or on the vehicle and shown to a peace
16 3 officer on request.

16 4 Sec. 16. Section 321.42, subsection 2, paragraph a, Code
16 5 2007, is amended to read as follows:

16 6 a. If a certificate of title is lost or destroyed, the
16 7 owner or lienholder shall apply for a replacement copy of the
16 8 original certificate of title. The owner or lienholder of a
16 9 motor vehicle may also apply for a replacement copy of the
16 10 original certificate of title upon surrender of the original
16 11 certificate of title with the application. The application
16 12 shall be made to the department or county treasurer who issued
16 13 the original certificate of title. The application shall be
16 14 signed by the owner or lienholder and accompanied by a fee of
16 15 ~~ten~~ twenty dollars.

16 16 Sec. 17. Section 321.46, subsection 2, Code 2007, is
16 17 amended to read as follows:

16 18 2. Upon filing the application for a new registration and
16 19 a new title, the applicant shall pay a title fee of ~~ten~~ twenty
16 20 dollars and a registration fee prorated for the remaining
16 21 unexpired months of the registration year. A manufacturer
16 22 applying for a certificate of title pursuant to section
16 23 322G.12 shall pay a title fee of ~~two ten~~ dollars. However, a
16 24 title fee shall not be charged to a manufactured or mobile
16 25 home retailer applying for a certificate of title for a used
16 26 mobile home or manufactured home, titled in Iowa, as required
16 27 under section 321.45, subsection 4. The county treasurer, if
16 28 satisfied of the genuineness and regularity of the
16 29 application, and in the case of a mobile home or manufactured
16 30 home, that taxes are not owing under chapter 435, and that
16 31 applicant has complied with all the requirements of this
16 32 chapter, shall issue a new certificate of title and, except
16 33 for a mobile home, manufactured home, or a vehicle returned to
16 34 and accepted by a manufacturer as described in section

16 35 322G.12, a registration card to the purchaser or transferee,
17 1 shall cancel the prior registration for the vehicle, and shall
17 2 forward the necessary copies to the department on the date of
17 3 issuance, as prescribed in section 321.24. Mobile homes or
17 4 manufactured homes titled under chapter 448 that have been
17 5 subject under section 446.18 to a public bidder sale in a
17 6 county shall be titled in the county's name, with no fee, and
17 7 the county treasurer shall issue the title.

17 8 Sec. 18. Section 321.47, unnumbered paragraph 1, Code
17 9 2007, is amended to read as follows:

17 10 If ownership of a vehicle is transferred by operation of
17 11 law upon inheritance, devise or bequest, dissolution decree,
17 12 order in bankruptcy, insolvency, replevin, foreclosure or
17 13 execution sale, abandoned vehicle sale, or when the engine of
17 14 a motor vehicle is replaced by another engine, or a vehicle is
17 15 sold or transferred to satisfy an artisan's lien as provided
17 16 in chapter 577, a landlord's lien as provided in chapter 570,
17 17 a storage lien as provided in chapter 579, a judgment in an
17 18 action for abandonment of a manufactured or mobile home as
17 19 provided in chapter 555B, upon presentation of an affidavit
17 20 relating to the disposition of a valueless mobile, modular, or
17 21 manufactured home as provided in chapter 555C, or repossession
17 22 is had upon default in performance of the terms of a security
17 23 agreement, the county treasurer in the transferee's county of
17 24 residence or, in the case of a mobile home or manufactured
17 25 home, the county treasurer of the county where the mobile home
17 26 or manufactured home is located, upon the surrender of the
17 27 prior certificate of title or the manufacturer's or importer's
17 28 certificate, or when that is not possible, upon presentation
17 29 of satisfactory proof to the county treasurer of ownership and
17 30 right of possession to the vehicle and upon payment of a fee
17 31 of ~~ten~~ twenty dollars and the presentation of an application
17 32 for registration and certificate of title, may issue to the
17 33 applicant a registration card for the vehicle and a
17 34 certificate of title to the vehicle. A person entitled to
17 35 ownership of a vehicle under a decree of dissolution shall
18 1 surrender a reproduction of a certified copy of the
18 2 dissolution and upon fulfilling the other requirements of this
18 3 chapter is entitled to a certificate of title and registration
18 4 receipt issued in the person's name.

18 5 Sec. 19. Section 321.52, subsection 4, paragraph a, Code
18 6 Supplement 2007, is amended to read as follows:

18 7 a. A vehicle rebuilder or a person engaged in the business
18 8 of buying, selling, or exchanging vehicles of a type required
18 9 to be registered in this state, upon acquisition of a wrecked
18 10 or salvage vehicle, shall surrender the certificate of title
18 11 or manufacturer's or importer's statement of origin properly
18 12 assigned, together with an application for a salvage
18 13 certificate of title, to the county treasurer of the county of
18 14 residence of the purchaser or transferee within thirty days
18 15 after the date of assignment of the certificate of title for
18 16 the wrecked or salvage motor vehicle. This subsection applies
18 17 only to vehicles with a fair market value of five hundred
18 18 dollars or more, based on the value before the vehicle became
18 19 wrecked or salvage. Upon payment of a fee of ~~two~~ ten dollars,
18 20 the county treasurer shall issue a salvage certificate of
18 21 title which shall bear the word "SALVAGE" stamped or printed
18 22 on the face of the title in a manner prescribed by the
18 23 department. A salvage certificate of title may be assigned to
18 24 an educational institution, a new motor vehicle dealer
18 25 licensed under chapter 322, a person engaged in the business
18 26 of purchasing bodies, parts of bodies, frames or component
18 27 parts of vehicles for sale as scrap metal, a salvage pool, or
18 28 an authorized vehicle recycler licensed under chapter 321H.
18 29 An authorized vehicle recycler licensed under chapter 321H or
18 30 a new motor vehicle dealer licensed under chapter 322 may
18 31 assign or reassign an Iowa salvage certificate of title or a
18 32 salvage certificate of title from another state to any person,
18 33 and the provisions of section 321.24, subsection 5, requiring
18 34 issuance of an Iowa salvage certificate of title shall not
18 35 apply. A vehicle on which ownership has transferred to an
19 1 insurer of the vehicle as a result of a settlement with the
19 2 owner of the vehicle arising out of damage to, or unrecovered
19 3 theft of, the vehicle shall be deemed to be a wrecked or
19 4 salvage vehicle and the insurer shall comply with this
19 5 subsection to obtain a salvage certificate of title within
19 6 thirty days after the date of assignment of the certificate of
19 7 title of the vehicle.

19 8 Sec. 20. Section 321.109, subsection 1, paragraph a, Code
19 9 2007, is amended to read as follows:

19 10 a. The annual fee for all motor vehicles including

19 11 vehicles designated by manufacturers as station wagons, and
19 12 1993 and subsequent model years for multipurpose vehicles,
19 13 except motor trucks, motor homes, ambulances, hearses,
19 14 motorcycles, motorized bicycles, and 1992 and older model
19 15 years for multipurpose vehicles, shall be equal to one percent
19 16 of the value as fixed by the department plus forty cents for
19 17 each one hundred pounds or fraction thereof of weight of
19 18 vehicle, as fixed by the department. The weight of a motor
19 19 vehicle, fixed by the department for registration purposes,
19 20 shall include the weight of a battery, heater, bumpers, spare
19 21 tire, and wheel. Provided, however, that for any new vehicle
19 22 purchased in this state by a nonresident for removal to the
19 23 nonresident's state of residence the purchaser may make
19 24 application to the county treasurer in the county of purchase
19 25 for a transit plate for which a fee of ten dollars shall be
19 26 paid. And provided, however, that for any used vehicle held
19 27 by a registered dealer and not currently registered in this
19 28 state, or for any vehicle held by an individual and currently
19 29 registered in this state, when purchased in this state by a
19 30 nonresident for removal to the nonresident's state of
19 31 residence, the purchaser may make application to the county
19 32 treasurer in the county of purchase for a transit plate for
19 33 which a fee of three dollars shall be paid. The county
19 34 treasurer shall issue a nontransferable certificate of
19 35 registration for which no refund shall be allowed; and the
20 1 transit plates shall be void thirty days after issuance. Such
20 2 purchaser may apply for a certificate of title by surrendering
20 3 the manufacturer's or importer's certificate or certificate of
20 4 title, duly assigned as provided in this chapter. In this
20 5 event, the treasurer in the county of purchase shall, when
20 6 satisfied with the genuineness and regularity of the
20 7 application, and upon payment of a fee of ~~ten~~ twenty dollars,
20 8 issue a certificate of title in the name and address of the
20 9 nonresident purchaser delivering the title to the owner. If
20 10 there is a security interest noted on the title, the county
20 11 treasurer shall mail to the secured party an acknowledgment of
20 12 the notation of the security interest. The county treasurer
20 13 shall not release a security interest that has been noted on a
20 14 title issued to a nonresident purchaser as provided in this
20 15 paragraph. The application requirements of section 321.20
20 16 apply to a title issued as provided in this subsection, except
20 17 that a natural person who applies for a certificate of title
20 18 shall provide either the person's social security number,
20 19 passport number, or driver's license number, whether the
20 20 license was issued by this state, another state, or another
20 21 country. The provisions of this subsection relating to
20 22 multipurpose vehicles are effective January 1, 1993, for all
20 23 1993 and subsequent model years. The annual registration fee
20 24 for multipurpose vehicles that are 1992 model years and older
20 25 shall be in accordance with section 321.124.
20 26 Sec. 21. EFFECTIVE DATE. This division of this Act takes
20 27 effect January 1, 2009.

20 28 DIVISION III

20 29 TRAILER REGISTRATION FEES

20 30 Sec. 22. Section 312.2, Code Supplement 2007, is amended
20 31 by adding the following new subsection:
20 32 NEW SUBSECTION. 21. a. The treasurer of state, before
20 33 making the allotments provided for in this section, shall
20 34 credit monthly to the TIME=21 fund created in section 312A.2
20 35 an amount equal to ten dollars from each trailer registration
21 1 fee collected pursuant to section 321.123, subsection 1,
21 2 paragraph "a", subparagraph (1), twenty dollars from each
21 3 trailer registration fee collected pursuant to section
21 4 321.123, subsection 1, paragraph "a", subparagraph (2), and
21 5 one-third of the amount collected from trailer registration
21 6 fees pursuant to section 321.123, subsection 2.
21 7 b. This subsection is repealed June 30, 2028.
21 8 Sec. 23. Section 321.122, subsection 2, Code 2007, is
21 9 amended by striking the subsection.
21 10 Sec. 24. Section 321.123, Code 2007, is amended to read as
21 11 follows:

21 12 321.123 TRAILERS.

21 13 1. a. All trailers except farm trailers, mobile homes,
21 14 and manufactured homes, unless otherwise provided in this
21 15 section, are subject to ~~a~~ an annual registration fee of ~~ten~~
21 16 ~~dollars.~~ as follows:

21 17 (1) For trailers with an empty weight of two thousand
21 18 pounds or less, the annual registration fee is twenty dollars.
21 19 (2) For trailers with an empty weight in excess of two
21 20 thousand pounds, the annual registration fee is thirty
21 21 dollars.

21 22 b. Trailers for which the empty weight is two thousand
21 23 pounds or less are exempt from the certificate of title and
21 24 lien provisions of this chapter.
21 25 c. For trailers and semitrailers licensed under chapter
21 26 326, the annual registration fee for the permanent
21 27 registration plate shall be the applicable fee under paragraph
21 28 "a". The registration fees for a permanent registration
21 29 plate, at the option of the registrant, shall be remitted to
21 30 the department at five-year intervals or on an annual basis.

21 31 Fees collected under this section shall not be reduced or
21 32 prorated under chapter 326.

21 33 1- 2. a. Travel trailers and fifth-wheel travel trailers,
21 34 except those in manufacturer's or dealer's stock, shall be
21 35 subject to an annual fee of ~~twenty~~ thirty cents per square
22 1 foot of floor space computed on the exterior overall
22 2 measurements, but excluding three feet occupied by any trailer
22 3 hitch as provided by and certified to by the owner, to the
22 4 nearest whole dollar. When a travel trailer or fifth-wheel
22 5 travel trailer is registered in Iowa for the first time or
22 6 when title is transferred, the annual fee shall be prorated on
22 7 a monthly basis. The annual fee shall be reduced to
22 8 seventy-five percent of the full fee after the vehicle is more
22 9 than six model years old.

22 10 b. A travel trailer may be stored under section 321.134,
22 11 provided the travel trailer is not used for human habitation
22 12 for any period during storage and is not moved upon the
22 13 highways of the state. A travel trailer stored under section
22 14 321.134 is not subject to a manufactured or mobile home tax
22 15 assessed under chapter 435.

22 16 2- 3. Motor trucks or truck tractors pulling trailers or
22 17 semitrailers shall be registered for the combined gross weight
22 18 of the motor truck or truck tractor and trailer or
22 19 semitrailer, except that:

22 20 a. Motor trucks registered for six tons or less not used
22 21 for hire, pulling trailers or semitrailers used by a person
22 22 engaged in farming to transport commodities produced by the
22 23 owner, or to transport commodities or livestock purchased by
22 24 the owner for use in the owner's own farming operation or used
22 25 by any person to transport horses shall not be subject to
22 26 registration for the gross weight of such trailer or
22 27 semitrailer provided the combined gross weight does not exceed
22 28 twelve tons, plus the tolerance provided for in section
22 29 321.466.

22 30 b. Motor trucks registered for six tons or less not used
22 31 for hire, pulling trailers or semitrailers used by a person in
22 32 the person's own operations shall not be subject to
22 33 registration for the gross weight of such trailer or
22 34 semitrailer provided the combined gross weight does not exceed
22 35 eight tons, plus the tolerance provided for in section
23 1 321.466.

23 2 Sec. 25. EFFECTIVE DATE AND APPLICABILITY. This division
23 3 of this Act takes effect January 1, 2009, and applies to
23 4 trailers registered for registration years beginning in 2009
23 5 and subsequent years.

23 6 DIVISION IV 23 7 STUDIES

23 8 Sec. 26. TIME=21 FUNDING ANALYSIS. The department of
23 9 transportation shall conduct an analysis of the additional
23 10 revenues necessary to provide at least two hundred million
23 11 dollars annually to the TIME=21 fund by FY 2011=2012. The
23 12 analysis shall include but is not limited to the amount of
23 13 excise tax levied on motor fuel and adjustments that might be
23 14 made to various fees collected by the department in order to
23 15 create an appropriate balance of taxes and fees paid by Iowa
23 16 drivers and out-of-state drivers. The department shall submit
23 17 a report to the governor and the general assembly on or before
23 18 December 31, 2008, regarding its analysis.

23 19 Sec. 27. PUBLIC TRANSIT FUNDING STUDY. The department of
23 20 transportation, in cooperation with the office of energy
23 21 independence and the department of natural resources, shall
23 22 review the current revenues available for support of public
23 23 transit and the sufficiency of those revenues to meet future
23 24 needs. The review shall include but is not limited to
23 25 identifying transit improvements needed to meet state energy
23 26 independence goals and an assessment of how the state's
23 27 support of public transit is positioned to meet the mobility
23 28 needs of Iowa's growing senior population. The department
23 29 shall submit a report to the governor and the general assembly
23 30 on or before December 1, 2009.

23 31 DIVISION V 23 32 MOTORCYCLE OPERATOR'S LICENSE FEE

23 33 Sec. 28. Section 312.2, subsection 16, Code Supplement
23 34 2007, is amended to read as follows:
23 35 16. The treasurer of state, before making the allotments
24 1 provided for in this section, shall credit monthly from the
24 2 road use tax fund to the motorcycle rider education fund
24 3 established in section 321.180B, an amount equal to ~~one dollar~~
24 4 two dollars per year of license validity for each issued or
24 5 renewed driver's license which is valid for the operation of a
24 6 motorcycle. Moneys credited to the motorcycle rider education
24 7 fund under this subsection shall be taken from moneys credited
24 8 to the road use tax fund under section 423.43.

24 9 Sec. 29. Section 321.191, subsection 5, Code 2007, is
24 10 amended to read as follows:

24 11 5. LICENSES VALID FOR MOTORCYCLES. An additional fee of
24 12 ~~one dollar~~ two dollars per year of license validity is
24 13 required to issue a license valid to operate a motorcycle.

24 14 Sec. 30. Section 321.145, subsection 2, paragraph b,
24 15 subparagraph (2), if enacted by the Eighty-second General
24 16 Assembly, 2008 Session, is amended to read as follows:

24 17 (2) An amount equal to ~~one dollar~~ two dollars per year of
24 18 license validity for each issued or renewed driver's license
24 19 which is valid for the operation of a motorcycle shall be
24 20 credited to the motorcycle rider education fund established
24 21 under section 321.180B.

24 22 Sec. 31. If section 312.2, subsection 16, Code Supplement
24 23 2007, is stricken by a provision in another division of this
24 24 Act or another Act of the 2008 Session of the Eighty-second
24 25 General Assembly, the section in this division of this Act
24 26 amending section 312.2, subsection 16, Code Supplement 2007,
24 27 is void.

24 28 DIVISION VI

24 29 USE TAX ON MOTOR VEHICLES REPEALED ==

24 30 FEE FOR NEW REGISTRATION IMPOSED

24 31 PART 1

24 32 ROAD USE TAX FUND

24 33 Sec. 32. Section 312.1, Code 2007, is amended to read as
24 34 follows:

24 35 312.1 FUND CREATED.

25 1 1. There is hereby created, in the state treasury, a road
25 2 use tax fund. ~~Said~~ The road use tax fund shall ~~embrace and~~
25 3 include all of the following:

25 4 1- a. All the net proceeds of the registration of motor
25 5 vehicles under chapter 321.

25 6 2- b. All the net proceeds of the motor fuel tax or
25 7 license fees under chapter 452A.

25 8 3- c. Revenue derived from the excise tax imposed upon
25 9 the rental of automobiles, under chapter 423C, ~~as to the~~
25 10 ~~extent provided by section 423C-5~~ 321.145, subsection 2.

~~25 11 4. To the extent provided in section 423.43, subsection 1,
25 12 paragraph "b", from revenue derived from the use tax, under
25 13 chapter 423 on motor vehicles, trailers, and motor vehicle
25 14 accessories and equipment.~~

~~25 15 5- d. Revenue derived from the use tax collected under
25 16 section 423.26, to the extent provided under section 321.145,
25 17 subsection 2.~~

25 18 e. Any other funds which may by law be credited to the
25 19 road use tax fund.

25 20 2. Notwithstanding section 12C.7, subsection 2, interest
25 21 or earnings on investments or time deposits of the moneys in
25 22 the road use tax fund and the funds to which moneys from the
25 23 road use tax fund are credited shall be credited to the road
25 24 use tax fund.

25 25 Sec. 33. Section 312.2, subsections 14 and 16, Code
25 26 Supplement 2007, are amended by striking the subsections.

25 27 Sec. 34. Section 312.2, Code Supplement 2007, is amended
25 28 by adding the following new subsection:

25 29 NEW SUBSECTION. 19. The treasurer of state, before making
25 30 the allotments provided for in this section, shall credit
25 31 monthly from the road use tax fund to the primary road fund an
25 32 amount equal to ten percent of the revenues collected from the
25 33 operation of section 321.105A, subsection 2, to be used for
25 34 the commercial and industrial highway network.

25 35 Sec. 35. Section 321.52A, Code 2007, is amended to read as
26 1 follows:

26 2 321.52A CERTIFICATE OF TITLE SURCHARGE == ALLOCATION OF
26 3 MONEYS.

26 4 1- In addition to the fee required for the issuance of a
26 5 certificate of title under section 321.20, 321.20A, 321.23,
26 6 321.42, 321.46, 321.47, 321.48, 321.50, or 321.52, a surcharge
26 7 of five dollars shall be required. Of each surcharge
26 8 collected under those sections, the county treasurer shall

26 9 remit five dollars to the office of treasurer of state for
26 10 deposit as set forth in section 321.145, subsection 2.
26 11 2. For the fiscal year beginning July 1, 2002, through the
26 12 fiscal year beginning July 1, 2006, the treasurer of state
26 13 shall deposit twenty percent of the moneys received under
26 14 subsection 1 in the waste tire management fund and deposit the
26 15 remainder in the road use tax fund. For the fiscal year
26 16 beginning July 1, 2007, and each subsequent fiscal year, the
26 17 treasurer of state shall deposit the entire amount of moneys
26 18 received under subsection 1 in the road use tax fund.

26 19 Sec. 36. Section 321.145, Code 2007, is amended to read as
26 20 follows:

26 21 321.145 DISPOSITION OF MONEYS AND FEES.

26 22 1. Except for fines, forfeitures, court costs, and the
26 23 collection fees retained by the county treasurer pursuant to
26 24 section 321.152, and except as provided in subsection 2,
26 25 moneys and motor vehicle license registration fees collected
26 26 under this chapter shall be credited by the treasurer of state
26 27 to the road use tax fund.

26 28 2. Revenues derived from trailer registration fees
26 29 collected pursuant to sections 321.105 and 321.105A, fees
26 30 charged for driver's licenses and nonoperator's identification
26 31 cards, fees charged for the issuance of a certificate of
26 32 title, the certificate of title surcharge collected pursuant
26 33 to section 321.52A, and revenues credited pursuant to section
26 34 423.43, subsection 2, and section 423C.5 shall be deposited in
26 35 a fund to be known as the statutory allocations fund under the
27 1 control of the department and credited as follows:

27 2 a. Four million two hundred fifty thousand dollars per
27 3 quarter shall be deposited into and credited to the Iowa
27 4 comprehensive petroleum underground storage tank fund created
27 5 in section 455G.3, and the moneys so deposited are a
27 6 continuing appropriation for expenditure under chapter 455G,
27 7 and moneys so appropriated shall not be used for other
27 8 purposes.

27 9 b. Moneys remaining after the operation of paragraph "a"
27 10 shall be credited in order of priority as follows:

27 11 (1) An amount equal to four percent of the revenue from
27 12 the operation of section 321.105A, subsection 2, shall be
27 13 credited to the department, to be used for purposes of public
27 14 transit assistance under chapter 324A.

27 15 (2) An amount equal to one dollar per year of license
27 16 validity for each issued or renewed driver's license which is
27 17 valid for the operation of a motorcycle shall be credited to
27 18 the motorcycle rider education fund established under section
27 19 321.180B.

27 20 (3) The amounts required to be transferred pursuant to
27 21 section 321.34 from revenues available under this subsection
27 22 shall be transferred and credited as provided in section
27 23 321.34, subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18,
27 24 19, 20, 20A, 20B, 21, 22, 23, and 24 for the various purposes
27 25 specified in those subsections.

27 26 (4) Amounts certified by the railway finance authority
27 27 pursuant to section 327I.25 and appropriated to the authority
27 28 pursuant to section 327I.26, not to exceed two million dollars
27 29 annually.

27 30 (5) The department may direct the treasurer of state to
27 31 credit to the primary road fund any amount of such revenues to
27 32 the extent necessary to reimburse that fund for the
27 33 expenditures not otherwise eligible to be made from the
27 34 primary road fund, which are made for repairing, improving,
27 35 and maintaining bridges over the rivers bordering the state.

28 1 Expenditures for those portions of bridges within adjacent
28 2 states may be included when they are made pursuant to an
28 3 agreement entered into under section 313.63, 313A.34, or
28 4 314.10.

28 5 c. Any such revenues remaining shall be credited to the
28 6 road use tax fund.

28 7 Sec. 37. Section 423C.5, Code 2007, is amended to read as
28 8 follows:

28 9 423C.5 DEPOSIT OF REVENUE.

28 10 The revenue arising from the operation of this chapter
28 11 shall be credited to the road use tax fund statutory
28 12 allocations fund created under section 321.145, subsection 2.

28 13 PART 2

28 14 FEE FOR NEW VEHICLE REGISTRATION

28 15 Sec. 38. Section 321.1, Code 2007, is amended by adding
28 16 the following new subsection:

28 17 NEW SUBSECTION. 59A. "Registration fees", unless
28 18 otherwise specified, means both the annual vehicle
28 19 registration fee and the fee for new registration, to the

28 20 extent applicable, for purposes of administering the
28 21 provisions of this chapter concerning vehicle registration
28 22 fees.

28 23 Sec. 39. Section 321.2, Code 2007, is amended to read as
28 24 follows:

28 25 321.2 DEPARTMENT.

28 26 1. The Except as otherwise provided by law, the state
28 27 department of transportation shall administer and enforce the
28 28 provisions of this chapter.

28 29 2. The division of state patrol of the department of
28 30 public safety shall enforce the provisions of this chapter
28 31 relating to traffic on the public highways of the state,
28 32 including those relating to the safe and legal operation of
28 33 passenger cars, motorcycles, motor trucks and buses, and to
28 34 see that proper safety rules are observed.

28 35 3. The state department of transportation and the
29 1 department of public safety shall cooperate to insure the
29 2 proper and adequate enforcement of the provisions of this
29 3 chapter.

29 4 4. The director of revenue shall administer and enforce
29 5 the collection of the fee for new registration as provided in
29 6 section 321.105A.

29 7 Sec. 40. NEW SECTION. 321.105A FEE FOR NEW REGISTRATION.

29 8 1. DEFINITIONS. The following terms, when used in this
29 9 section, shall have the following meanings, except in those
29 10 instances where the context clearly indicates otherwise:

29 11 a. "Department" means the department of revenue.

29 12 b. "Director" means the director of revenue.

29 13 c. "Owner" means as defined in section 321.1. For
29 14 purposes of the fee for new registration imposed on leased
29 15 vehicles under subsection 3, "owner" means the "lessor".

29 16 d. "Purchase" means any transfer, exchange, or barter,
29 17 conditional or otherwise, in any manner or by any means
29 18 whatsoever, for consideration.

29 19 2. In addition to the annual registration fee required
29 20 under section 321.105, a "fee for new registration" is imposed
29 21 in the amount of five percent of the purchase price for each
29 22 vehicle subject to registration. The fee for new registration
29 23 shall be paid by the owner of the vehicle to the county
29 24 treasurer at the time application is made for a new
29 25 registration and certificate of title, if applicable. A new
29 26 registration receipt shall not be issued until the fee has
29 27 been paid. The county treasurer or the department of
29 28 transportation shall require every applicant for a new
29 29 registration receipt for a vehicle subject to registration to
29 30 supply information as the county treasurer or the director
29 31 deems necessary as to the time of purchase, the purchase
29 32 price, and other information relative to the purchase of the
29 33 vehicle. On or before the tenth day of each month, the county
29 34 treasurer or the department of transportation shall remit to
29 35 the department of revenue the amount of the fees for new
30 1 registration collected during the preceding month.

30 2 a. For purposes of this subsection, "purchase price"
30 3 applies to the measure subject to the fee for new

30 4 registration. "Purchase price" shall be determined in the
30 5 same manner as "sales price" is determined for purposes of
30 6 computing the tax imposed upon the sales price of tangible
30 7 personal property under chapter 423, pursuant to the
30 8 definition in section 423.1, subsection 47, subject to the
30 9 following exemptions:

30 10 (1) Exempted from the purchase price of any vehicle
30 11 subject to registration is the amount of any cash rebate which
30 12 is provided by a motor vehicle manufacturer to the purchaser
30 13 of the vehicle subject to registration so long as the rebate
30 14 is applied to the purchase price of the vehicle.

30 15 (2) (a) In transactions, except those subject to
30 16 subparagraph subdivision (b), in which a vehicle subject to
30 17 registration is traded toward the purchase price of another
30 18 vehicle subject to registration, the purchase price is only
30 19 that portion of the purchase price which is valued in money,
30 20 whether received in money or not, if the following conditions
30 21 are met:

30 22 (i) The vehicle traded to the retailer is the type of
30 23 vehicle normally sold in the regular course of the retailer's
30 24 business.

30 25 (ii) The vehicle traded to the retailer is intended by the
30 26 retailer to be ultimately sold at retail or is intended to be
30 27 used by the retailer or another in the remanufacturing of a
30 28 like vehicle.

30 29 (b) In a transaction between persons, neither of which is
30 30 a retailer of vehicles subject to registration, in which a

30 31 vehicle subject to registration is traded toward the purchase
30 32 price of another vehicle subject to registration, the amount
30 33 of the trade-in value allowed on the vehicle subject to
30 34 registration traded is exempted from the purchase price.

30 35 (c) In order for the trade-in value to be excluded from
31 1 the purchase price, the name or names on the title and
31 2 registration of the vehicle being purchased must be the same
31 3 name or names on the title and registration of the vehicle
31 4 being traded. The following trades qualify under this
31 5 subparagraph subdivision (c):

31 6 (i) A trade involving spouses, if the traded vehicle and
31 7 the acquired vehicle are titled in the name of one or both of
31 8 the spouses, with no outside party named on the title.

31 9 (ii) A trade involving a grandparent, parent, or child,
31 10 including adopted and step relationships, if the name of one
31 11 of the family members from the title of the traded vehicle is
31 12 also on the title of the newly acquired vehicle.

31 13 (iii) A trade involving a business, if one of the owners
31 14 listed on the title of the traded vehicle is a business, and
31 15 the names on the title are separated by "or".

31 16 (iv) A trade in which the vehicle being purchased is
31 17 titled in the name of an individual other than the owner of
31 18 the traded vehicle due to the cosigning requirements of a
31 19 financial institution.

31 20 (3) Exempted from the purchase price of a replacement
31 21 motor vehicle owned by a motor vehicle dealer licensed under
31 22 chapter 322 which is being registered by that dealer and is
31 23 not otherwise exempt from the fee for new registration is the
31 24 fair market value of a replaced motor vehicle if all of the
31 25 following conditions are met:

31 26 (a) The motor vehicle being registered is being placed in
31 27 service as a replacement motor vehicle for a motor vehicle
31 28 registered by the motor vehicle dealer.

31 29 (b) The motor vehicle being registered is taken from the
31 30 motor vehicle dealer's inventory.

31 31 (c) Use tax or the fee for new registration on the motor
31 32 vehicle being replaced was paid by the motor vehicle dealer
31 33 when that motor vehicle was registered.

31 34 (d) The replaced motor vehicle is returned to the motor
31 35 vehicle dealer's inventory for sale.

32 1 (e) The application for registration and title of the
32 2 motor vehicle being registered is filed with the county
32 3 treasurer within two weeks of the date the replaced motor
32 4 vehicle is returned to the motor vehicle dealer's inventory.

32 5 (f) The motor vehicle being registered is placed in the
32 6 same or substantially similar service as the replaced motor
32 7 vehicle.

32 8 b. For purposes of this subsection, the fee for new
32 9 registration on a vehicle registered in this state by the
32 10 manufacturer of that vehicle from a manufacturer's statement
32 11 of origin is calculated on the base value of fifty percent of
32 12 the retail list price of the vehicle.

32 13 c. The following are exempt from the fee for new
32 14 registration imposed under this subsection, as long as a valid
32 15 affidavit is filed with the county treasurer at the time of
32 16 application for registration:

32 17 (1) Entities listed in section 423.3, subsections 17, 18,
32 18 19, 20, 21, 22, 26, 27, 28, 31, and 79, to the extent that
32 19 those entities are exempt from the tax imposed on the sale of
32 20 tangible personal property, consisting of goods, wares, or
32 21 merchandise, sold at retail in the state to consumers or
32 22 users.

32 23 (2) Vehicles as defined in section 321.1, subsections 41,
32 24 64A, 71, 85, and 88, except such vehicles subject to
32 25 registration which are designed primarily for carrying
32 26 persons, when purchased for lease and actually leased to a
32 27 lessee for use outside the state of Iowa and the subsequent
32 28 sole use in Iowa is in interstate commerce or interstate
32 29 transportation.

32 30 (3) (a) Vehicles subject to registration which are
32 31 transferred from a business or individual conducting a
32 32 business within this state as a sole proprietorship,
32 33 partnership, or limited liability company to a corporation
32 34 formed by the sole proprietorship, partnership, or limited
32 35 liability company for the purpose of continuing the business
33 1 when all of the stock of the corporation so formed is owned by
33 2 the sole proprietor and the sole proprietor's spouse, by all
33 3 the partners in the case of a partnership, or by all the
33 4 members in the case of a limited liability company. This
33 5 exemption is equally available where the vehicles subject to
33 6 registration are transferred from a corporation to a sole

33 7 proprietorship, partnership, or limited liability company
33 8 formed by that corporation for the purpose of continuing the
33 9 business when all of the incidents of ownership are owned by
33 10 the same person or persons who were stockholders of the
33 11 corporation.

33 12 (b) This exemption also applies where the vehicles subject
33 13 to registration are transferred from a corporation as part of
33 14 the liquidation of the corporation to its stockholders if
33 15 within three months of such transfer the stockholders
33 16 retransfer those vehicles subject to registration to a sole
33 17 proprietorship, partnership, or limited liability company for
33 18 the purpose of continuing the business of the corporation when
33 19 all of the incidents of ownership are owned by the same person
33 20 or persons who were stockholders of the corporation.

33 21 (c) This exemption applies to corporations that have been
33 22 in existence for not longer than twenty-four months.

33 23 (4) Vehicles subject to registration which are transferred
33 24 from a corporation that is primarily engaged in the business
33 25 of leasing vehicles subject to registration to a corporation
33 26 that is primarily engaged in the business of leasing vehicles
33 27 subject to registration when the transferor and transferee
33 28 corporations are part of the same controlled group for federal
33 29 income tax purposes.

33 30 (5) (a) Vehicles registered or operated under chapter 326
33 31 and used substantially in interstate commerce. For purposes
33 32 of this subparagraph (5), "substantially in interstate
33 33 commerce" means that a minimum of twenty-five percent of the
33 34 miles operated by the vehicle accrues in states other than
33 35 Iowa. This subparagraph (5) applies only to vehicles which
34 1 are registered for a gross weight of thirteen tons or more.

34 2 (b) For purposes of this subparagraph (5), trailers and
34 3 semitrailers registered or operated under chapter 326 are
34 4 deemed to be used substantially in interstate commerce and to
34 5 be registered for a gross weight of thirteen tons or more.

34 6 (c) For the purposes of this subparagraph (5), if a
34 7 vehicle meets the requirement that twenty-five percent of the
34 8 miles operated accrues in states other than Iowa in each year
34 9 of the first four-year period of operation, the exemption from
34 10 the fee for new registration shall continue until the vehicle
34 11 is sold or transferred. If the vehicle is found to have not
34 12 met the exemption requirements or the exemption was revoked,
34 13 the value of the vehicle upon which the fee for new
34 14 registration shall be imposed is based on the original
34 15 purchase price if revocation or nonqualification for this
34 16 exemption occurs during the first year following registration.
34 17 If revocation or nonqualification for this exemption occurs
34 18 after the first year following registration, the value of the
34 19 vehicle upon which the fee shall be imposed is the book or
34 20 market value, whichever is less, at the time the exemption
34 21 requirements were not met or the exemption was revoked.

34 22 (6) Vehicles subject to registration in any state when
34 23 purchased for rental or registered and titled by a motor
34 24 vehicle dealer licensed pursuant to chapter 322 for rental
34 25 use, and held for rental for a period of one hundred twenty
34 26 days or more and actually rented for periods of sixty days or
34 27 less by a person regularly engaged in the business of renting
34 28 vehicles including but not limited to motor vehicle dealers
34 29 licensed pursuant to chapter 322 who rent automobiles to
34 30 users, if the rental of the vehicles is subject to taxation
34 31 under chapter 423C.

34 32 (7) Vehicles subject to registration in this state for
34 33 which the applicant for registration has paid to another state
34 34 a state sales, use, or occupational tax. However, if the tax
34 35 paid to another state is less than the fee for new
35 1 registration calculated for the vehicle, the difference shall
35 2 be the amount to be collected as the fee for new registration.

35 3 (8) A vehicle subject to registration in this state which
35 4 is owned by a person who has moved from another state with the
35 5 intention of changing residency to Iowa, provided that the
35 6 vehicle was purchased for use in the state from which the
35 7 applicant moved and was not, at or near the time of purchase,
35 8 purchased for use in Iowa.

35 9 (9) A vehicle that was previously registered in this state
35 10 and was subsequently registered in another state is not
35 11 subject to the fee for new registration when it is again
35 12 registered in this state, provided that the applicant for
35 13 registration has maintained ownership of the vehicle since its
35 14 initial registration in this state and has previously paid the
35 15 use tax or fee for new registration for the vehicle in this
35 16 state.

35 17 (10) Vehicles transferred by operation of law as provided

35 18 in section 321.47.

35 19 (11) Vehicles for which ownership is transferred to or
35 20 from a revocable or irrevocable trust, if no consideration is
35 21 present.

35 22 (12) Vehicles transferred to the surviving corporation for
35 23 no consideration as a result of a corporate merger according
35 24 to the laws of this state in which the merging corporation is
35 25 immediately extinguished and dissolved.

35 26 (13) Vehicles purchased in this state by a nonresident for
35 27 removal to the nonresident's state of residence if the
35 28 purchaser applies to the county treasurer for a transit plate
35 29 under section 321.109.

35 30 (14) Vehicles purchased by a licensed motor vehicle dealer
35 31 for resale.

35 32 (15) Vehicles purchased by a licensed wholesaler of new
35 33 motor vehicles for resale.

35 34 (16) Homemade vehicles built from parts purchased at
35 35 retail, upon which the consumer paid a tax to the seller, but
36 1 only on such vehicles never before registered. This exemption
36 2 does not apply for vehicles subject to registration which are
36 3 made by a manufacturer engaged in the business for the purpose
36 4 of sales or rental.

36 5 (17) Vehicles titled under a salvage certificate of title.
36 6 However, when such a vehicle has been repaired and a regular
36 7 certificate of title is applied for, the fee for new
36 8 registration is due as follows:

36 9 (a) If the owner of the vehicle is a licensed recycler,
36 10 unless the applicant is licensed as a vehicle dealer, the fee
36 11 for new registration applies based on the fair market value of
36 12 the vehicle, with deduction allowed for the cost of parts,
36 13 supplies, and equipment for which sales tax was paid and which
36 14 were used to rebuild the vehicle.

36 15 (b) If the owner is a person who is not licensed as a
36 16 recycler or vehicle dealer, the fee for new registration
36 17 applies based on the fair market value of the vehicle, with
36 18 deduction allowed for the cost of parts, frames, chassis, auto
36 19 bodies, or supplies that were purchased to rebuild the vehicle
36 20 and for which sales tax was paid.

36 21 (18) A vehicle delivered to a resident Native American
36 22 Indian on the reservation.

36 23 (19) A vehicle transferred from one individual to another
36 24 as a gift in a transaction in which no consideration is
36 25 present.

36 26 (20) A vehicle given by a corporation as a gift to a
36 27 retiring employee.

36 28 (21) A vehicle sold by an entity where the profits from
36 29 the sale are used by or donated to a nonprofit entity which is
36 30 exempt from federal income taxation pursuant to section
36 31 501(c)(3) of the Internal Revenue Code, a government entity,
36 32 or a nonprofit private educational institution, and where the
36 33 entire proceeds from the sale of the vehicle are expended for
36 34 any of the following purposes:

36 35 (a) Educational.

37 1 (b) Religious.

37 2 (c) Charitable. A charitable act is an act done out of
37 3 goodwill, benevolence, and a desire to add to or to improve
37 4 the good of humankind in general or any class or portion of
37 5 humankind, with no pecuniary profit inuring to the person
37 6 performing the service or giving the gift.

37 7 (22) A vehicle given or sold to be subsequently awarded as
37 8 a raffle prize under chapter 99B.

37 9 (23) A vehicle won as a raffle prize under chapter 99B.

37 10 (24) A vehicle that is directly and primarily used in the
37 11 recycling or reprocessing of waste products.

37 12 (25) Vehicles subject to registration under this chapter
37 13 with a gross vehicle weight rating of less than sixteen
37 14 thousand pounds, excluding motorcycles and motorized bicycles,
37 15 when purchased for lease and titled by the lessor licensed
37 16 pursuant to chapter 321F and actually leased for a period of
37 17 twelve months or more if the lease of the vehicle is subject
37 18 to the fee for new registration under subsection 3.

37 19 A lessor may maintain the exemption under this subparagraph
37 20 for a qualifying lease that terminates at the conclusion or
37 21 prior to the contracted expiration date if the lessor does not
37 22 use the vehicle for any purpose other than for lease. Once
37 23 the vehicle is used by the lessor for a purpose other than for
37 24 lease, the exemption under this subparagraph no longer applies
37 25 and, unless there is another exemption from the fee for new
37 26 registration, the fee for new registration is due on the fair
37 27 market value of the vehicle determined at the time the lessor
37 28 uses the vehicle for a purpose other than for lease, payable

37 29 to the department. If the lessor holds the vehicle
37 30 exclusively for sale, the fee for new registration is due and
37 31 payable on the purchase price of the vehicle at the time of
37 32 purchase pursuant to this subsection.

37 33 (26) A vehicle repossessed by a licensed vehicle dealer
37 34 pursuant to the uniform commercial code, chapter 554, provided
37 35 there is a valid lien on the title and the dealer anticipates
38 1 reselling the vehicle.

38 2 (27) A vehicle repossessed by a financial institution or
38 3 an individual by means of a foreclosure affidavit pursuant to
38 4 the uniform commercial code, chapter 554, provided there is a
38 5 valid lien on the vehicle and the foreclosure affidavit is
38 6 used for the sole purpose of retaining possession of the
38 7 vehicle until a new buyer is found. However, if the financial
38 8 institution or individual uses the foreclosure affidavit to
38 9 take title to the vehicle and register the vehicle, the new
38 10 registration fee shall be due based on the outstanding loan
38 11 amount on the vehicle.

38 12 (28) A damaged vehicle acquired by an insurance company
38 13 from a client or financial institution, provided the insurance
38 14 company has a vehicle dealers license.

38 15 (29) A vehicle returned to a manufacturer and titled in
38 16 the manufacturer's name under section 322G.12.

38 17 (30) A vehicle purchased directly by a federal, state, or
38 18 local governmental agency and titled in an individual's name
38 19 pursuant to a governmental program authorized by law.

38 20 3. LEASED VEHICLES.

38 21 a. A fee for new registration is imposed in an amount
38 22 equal to five percent of the leased price for each vehicle
38 23 subject to registration with a gross vehicle weight rating of
38 24 less than sixteen thousand pounds, excluding motorcycles and
38 25 motorized bicycles, which is leased by a lessor licensed
38 26 pursuant to chapter 321F for a period of twelve months or
38 27 more. The fee for new registration shall be paid by the owner
38 28 of the vehicle to the county treasurer from whom the
38 29 registration receipt or certificate of title is obtained. A
38 30 registration receipt for a vehicle subject to registration or
38 31 issuance of a certificate of title shall not be issued until
38 32 the fee for new registration is paid in the initial instance.

38 33 b. The amount of the lease price subject to the fee for
38 34 new registration shall be computed on each separate lease
38 35 transaction by taking the total of the lease payments, plus
39 1 the down payment, and excluding the following charges, if
39 2 included as part of the lease payment:

39 3 (1) Title fee.

39 4 (2) Annual registration fees.

39 5 (3) Fee for new registration.

39 6 (4) Federal excise taxes attributable to the sale of the
39 7 vehicle to the owner or to the lease of the vehicle by the
39 8 owner.

39 9 (5) Optional service or warranty contracts subject to tax
39 10 pursuant to section 423.2, subsection 1.

39 11 (6) Insurance.

39 12 (7) Manufacturer's rebate.

39 13 (8) Refundable deposit.

39 14 (9) Finance charges, if any, on items listed in
39 15 subparagraphs (1) through (8).

39 16 c. If any or all of the items in paragraph "b",
39 17 subparagraphs (1) through (8), are excluded from the lease
39 18 price subject to the fee for new registration, the owner shall
39 19 maintain adequate records of the amounts of those items. If
39 20 the parties to a lease enter into an agreement providing that
39 21 the fee for new registration is to be paid by the lessee or
39 22 included in the monthly lease payments to be paid by the
39 23 lessee, the total cost of the fee for new registration shall
39 24 not be included in the computation of the lease price for the
39 25 purpose of the fee for new registration under this section.
39 26 The county treasurer or the department of transportation shall
39 27 require every applicant for a registration receipt for a
39 28 vehicle subject to a fee for new registration to supply
39 29 information as the county treasurer or the director deems
39 30 necessary as to the date of the lease transaction, the lease
39 31 price, and other information relative to the lease of the
39 32 vehicle.

39 33 d. On or before the tenth day of each month, the county
39 34 treasurer or the department of transportation shall remit to
39 35 the department of revenue the amount of the fees for new
40 1 registration collected during the preceding month.

40 2 e. If the lease is terminated prior to the termination
40 3 date contained in the lease agreement, no refund shall be
40 4 allowed for a fee for new registration previously paid under

40 5 this section, except as provided in section 322G.4.

40 6 4. ADMINISTRATION AND ENFORCEMENT == DIRECTOR OF REVENUE.

40 7 a. The director of revenue in consultation with the
40 8 department of transportation shall administer and enforce the
40 9 fee for new registration as nearly as possible in conjunction
40 10 with the administration and enforcement of the state use tax
40 11 law, except that portion of the law which implements the
40 12 streamlined sales and use tax agreement. The director shall
40 13 provide appropriate forms, or provide on the annual
40 14 registration forms provided by the department of
40 15 transportation, for reporting the fee for new registration
40 16 liability.

40 17 b. Section 422.25, subsection 4, sections 422.30, 422.67,
40 18 and 422.68, section 422.69, subsection 1, sections 422.70,
40 19 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
40 20 2, and sections 423.23, 423.24, 423.25, 423.32, 423.33,
40 21 423.35, 423.37 through 423.42, 423.45, and 423.47, consistent
40 22 with the provisions of this section, apply with respect to the
40 23 fees for new registration authorized under this section in the
40 24 same manner and with the same effect as if the fees for new
40 25 registration were retail use taxes within the meaning of those
40 26 statutes.

40 27 5. COLLECTIONS BY LICENSED DEALERS.

40 28 a. A licensed vehicle dealer maintaining a place of
40 29 business in this state who sells a vehicle subject to
40 30 registration for use in this state shall collect the fee for
40 31 new registration at the time of making the sale. A dealer
40 32 required to collect the fee for new registration shall give to
40 33 the purchaser a receipt for the fee in the manner and form
40 34 prescribed by the director. Fees collected by a dealer under
40 35 this section shall be forwarded to the county treasurer in the
41 1 same manner as annual registration fees.

41 2 b. If an amount of the fee for new registration
41 3 represented by a dealer to the purchaser of a vehicle is
41 4 computed upon a purchase price that is not subject to the fee
41 5 for new registration or the amount represented is in excess of
41 6 the actual amount subject to the fee and the amount
41 7 represented is actually paid by the purchaser to the dealer,
41 8 the excess amount of fee for new registration paid shall be
41 9 returned to the purchaser upon notification to the dealer by
41 10 the department that an excess payment exists.

41 11 c. If an amount of the fee for new registration
41 12 represented by a dealer to a purchaser is computed upon a
41 13 purchase price that is not subject to the fee for new
41 14 registration or the amount represented is in excess of the
41 15 actual amount subject to the fee and the amount represented is
41 16 actually paid by the purchaser to the dealer, the excess
41 17 amount of fee for new registration paid shall be returned to
41 18 the purchaser upon proper notification to the dealer by the
41 19 purchaser that an excess payment exists. "Proper"
41 20 notification is written notification which allows a dealer at
41 21 least sixty days to respond and which contains enough
41 22 information to allow a dealer to determine the validity of a
41 23 purchaser's claim that an excess amount of fee for new
41 24 registration has been paid. No cause of action shall accrue
41 25 against a dealer for excess fee for new registration paid
41 26 until sixty days after proper notice has been given the dealer
41 27 by the purchaser.

41 28 d. In the circumstances described in paragraphs "b" and
41 29 "c", a dealer has the option to either return any excess
41 30 amount of fee for new registration paid to a purchaser, or to
41 31 remit the amount which a purchaser has paid to the dealer to
41 32 the department.

41 33 6. REFUNDS.

41 34 a. A fee for new registration is not refundable, except in
41 35 the following circumstances:

42 1 (1) If a vehicle is sold and later returned to the seller
42 2 and the entire purchase price is refunded by the seller, the
42 3 purchaser is entitled to a refund of the fee for new
42 4 registration paid. To obtain a refund, the purchaser shall
42 5 make application on forms provided by the department and show
42 6 proof that the entire purchase price was returned and that the
42 7 fee for new registration had been paid.

42 8 (2) If a vehicle manufacturer reimburses a purchaser for
42 9 the fee for new registration paid on a returned defective
42 10 vehicle, the manufacturer may obtain a refund from the
42 11 department by providing proof that the fee was paid and the
42 12 purchaser reimbursed in accordance with the provisions of
42 13 chapter 322G.

42 14 (3) If the department determines that, as a result of a
42 15 mistake, an amount of the fee for new registration has been

42 16 paid which was not due, such amount shall be refunded to the
42 17 vehicle owner by the department.
42 18 b. A claim for refund under this subsection that has not
42 19 been filed with the department within three years after the
42 20 fee for new registration was paid shall not be allowed by the
42 21 director.
42 22 7. PENALTY FOR FALSE STATEMENT. A person who willfully
42 23 makes a false statement in regard to the purchase price of a
42 24 vehicle subject to a fee for new registration is guilty of a
42 25 fraudulent practice. A person who willfully makes a false
42 26 statement in regard to the purchase price of such a vehicle
42 27 with the intent to evade payment of the fee for new
42 28 registration shall be assessed a penalty of seventy-five
42 29 percent of the amount of the fee unpaid and required to be
42 30 paid on the actual purchase price less trade-in allowance.

42 31 PART 3

42 32 MOTOR VEHICLE USE TAX == REPEAL

42 33 Sec. 41. Section 423.6, subsection 6, Code 2007, is
42 34 amended to read as follows:

42 35 6. Tangible personal property or services the sales price
43 1 of which is exempt from the sales tax under section 423.3,
43 2 except subsections 39 and 73, as it relates to the sale, but
43 3 not the lease or rental, of vehicles ~~subject to registration~~
43 4 ~~or subject only to the issuance of a certificate of title and~~
43 5 as it relates to aircraft subject to registration under
43 6 section 328.20.

43 7 Sec. 42. Section 423.6, subsections 8, 10, 11, 12, 16, 17,
43 8 18, 24, and 25, Code 2007, are amended by striking the
43 9 subsections.

43 10 Sec. 43. Section 423.14, subsection 2, paragraph a, Code
43 11 2007, is amended to read as follows:

43 12 a. The tax upon the use of all vehicles ~~subject to~~
43 13 ~~registration or~~ subject only to the issuance of a certificate
43 14 of title or the tax upon the use of manufactured housing shall
43 15 be collected by the county treasurer or the state department
43 16 of transportation pursuant to ~~sections~~ section 423.26 and
43 17 ~~423.27, subsection 1.~~ The county treasurer shall retain one
43 18 dollar from each tax payment collected, to be credited to the
43 19 county general fund.

43 20 Sec. 44. Section 423.26, Code 2007, is amended to read as
43 21 follows:

43 22 ~~423.26 VEHICLES SUBJECT TO REGISTRATION OR ONLY TO THE~~
43 23 ~~ISSUANCE OF TITLE == MANUFACTURED HOUSING == VEHICLE LEASE~~
43 24 ~~TRANSACTIONS NOT REQUIRING TITLE OR REGISTRATION.~~

43 25 1. a. The use tax imposed upon the use of vehicles
43 26 ~~subject to registration or~~ subject only to the issuance of a
43 27 certificate of title or imposed upon the use of manufactured
43 28 housing shall be paid by the owner of the vehicle or of the
43 29 manufactured housing to the county treasurer or the state
43 30 department of transportation from whom the ~~registration~~
43 31 ~~receipt or~~ certificate of title is obtained. A ~~registration~~
43 32 ~~receipt for a vehicle subject to registration or~~ certificate
43 33 of title shall not be issued until the tax has been paid. The
43 34 county treasurer or the state department of transportation
43 35 shall require every applicant for a ~~registration receipt for a~~
44 1 ~~vehicle subject to registration or~~ certificate of title to
44 2 supply information as the county treasurer or the director
44 3 deems necessary as to the time of purchase, the purchase
44 4 price, installed purchase price, and other information
44 5 relative to the purchase of the vehicle or manufactured
44 6 housing. On or before the tenth day of each month, the county
44 7 treasurer or the state department of transportation shall
44 8 remit to the department the amount of the taxes collected
44 9 during the preceding month.

44 10 b. A person who willfully makes a false statement in
44 11 regard to the purchase price of a vehicle subject to taxation
44 12 under this ~~section~~ subsection is guilty of a fraudulent
44 13 practice. A person who willfully makes a false statement in
44 14 regard to the purchase price of such a vehicle with the intent
44 15 to evade the payment of tax shall be assessed a penalty of
44 16 seventy-five percent of the amount of tax unpaid and required
44 17 to be paid on the actual purchase price less trade-in
44 18 allowance.

44 19 2. a. The use tax imposed upon the use of leased vehicles
44 20 if the lease transaction does not require titling or
44 21 registration of the vehicle shall be remitted to the
44 22 department. Tax and the reporting of tax due to the
44 23 department shall be remitted on or before fifteen days from
44 24 the last day of the month that the tax becomes due. Failure
44 25 to timely report or remit any of the tax when due shall result
44 26 in a penalty and interest being imposed on the tax due

44 27 pursuant to section 423.40, subsection 1, and section 423.42,
44 28 subsection 1.
44 29 b. The amount subject to tax shall be computed on each
44 30 separate lease transaction by taking the total of the lease
44 31 payments, plus the down payment, and excluding all of the
44 32 following:
44 33 (1) Title fee.
44 34 (2) Registration fees.
44 35 (3) Use tax pursuant to this subsection.
45 1 (4) Federal excise taxes attributable to the sale of the
45 2 vehicle to the owner or to the lease of the vehicle by the
45 3 owner.
45 4 (5) Optional service or warranty contracts subject to tax
45 5 pursuant to section 423.2, subsection 1.
45 6 (6) Insurance.
45 7 (7) Manufacturer's rebate.
45 8 (8) Refundable deposit.
45 9 (9) Finance charges, if any, on items listed in
45 10 subparagraphs (1) through (8).
45 11 c. If any or all of the items in paragraph "b",
45 12 subparagraphs (1) through (8) are excluded from the taxable
45 13 lease price, the owner shall maintain adequate records of the
45 14 amounts of those items. If the parties to a lease enter into
45 15 an agreement providing that the tax imposed under this
45 16 subsection is to be paid by the lessee or included in the
45 17 monthly lease payments to be paid by the lessee, the total
45 18 cost of the tax shall not be included in the computation of
45 19 lease price for the purpose of taxation under this subsection.
45 20 Sec. 45. Section 423.43, Code Supplement 2007, is amended
45 21 by striking the section and inserting in lieu thereof the
45 22 following:
45 23 423.43 DEPOSIT OF REVENUES.
45 24 1. Except as provided in subsection 2, all revenue arising
45 25 under the operation of the use tax under subchapter III shall
45 26 be deposited into the general fund of the state.
45 27 2. All revenue derived from the use tax imposed pursuant
45 28 to section 423.26 shall be credited to the statutory
45 29 allocations fund created under section 321.145, subsection 2.
45 30 Sec. 46. Section 423.27, Code 2007, is repealed.
45 31 PART 4
45 32 CONFORMING AMENDMENTS
45 33 Sec. 47. Section 29A.101A, subsection 5, Code Supplement
45 34 2007, is amended to read as follows:
45 35 5. Rents or lease amounts unpaid for the period preceding
46 1 the effective date of the lease termination shall be paid on a
46 2 prorated basis. In the case of a vehicle lease, the lessor
46 3 shall not impose an early termination charge, but any taxes,
46 4 summonses, and title and registration fees, including the fee
46 5 for new registration, and any other obligation and liability
46 6 of the lessee in accordance with the terms of the lease,
46 7 including reasonable charges to the lessee for excess wear,
46 8 use, and mileage, that are due and unpaid at the time of
46 9 termination of the lease shall be paid by the lessee.
46 10 Sec. 48. Section 321.17, Code 2007, is amended to read as
46 11 follows:
46 12 321.17 MISDEMEANOR TO VIOLATE REGISTRATION PROVISIONS.
46 13 It is a simple misdemeanor punishable as a scheduled
46 14 violation under section 805.8A, subsection 2, paragraph "b",
46 15 for any person to drive or move or for an owner knowingly to
46 16 permit to be driven or moved upon the highway a vehicle of a
46 17 type required to be registered under this chapter which is not
46 18 registered, or for which the appropriate fee has fees have not
46 19 been paid, except as provided in section 321.109, subsection
46 20 3.
46 21 Sec. 49. Section 321.19, subsection 1, unnumbered
46 22 paragraph 1, Code 2007, is amended to read as follows:
46 23 All vehicles owned or leased for a period of sixty days or
46 24 more by the government and used in the transaction of official
46 25 business by the representatives of foreign governments or by
46 26 officers, boards, or departments of the government of the
46 27 United States, and by the state, counties, municipalities and
46 28 other political subdivisions of the state including vehicles
46 29 used by an urban transit company operated by a municipality or
46 30 a regional transit system, and self-propelling vehicles used
46 31 neither for the conveyance of persons for hire, pleasure, or
46 32 business nor for the transportation of freight other than
46 33 those used by an urban transit company operated by a
46 34 municipality or a regional transit system, all fire trucks,
46 35 providing they are not owned and operated for a pecuniary
47 1 profit, and authorized emergency vehicles used only in
47 2 disaster relief owned and operated by an organization not

47 3 operated for pecuniary profit, are exempted from the payment
47 4 of the registration fees imposed by this chapter, except as
47 5 provided for urban transit companies in subsection 2, but are
47 6 not exempt from the penalties provided in this chapter.

47 7 Sec. 50. Section 321.20, subsection 1, paragraph a, Code
47 8 2007, is amended to read as follows:

47 9 a. The full legal name; social security number or Iowa
47 10 driver's license number or Iowa nonoperator's identification
47 11 card number; date of birth; bona fide residence; and mailing
47 12 address of the owner and of the lessee if the vehicle is being
47 13 leased. If the owner or lessee is a firm, association, or
47 14 corporation, the application shall contain the bona fide
47 15 business address and federal employer identification number of
47 16 the owner or lessee. Up to three owners' names may be listed
47 17 on the application. If the vehicle is a leased vehicle, the
47 18 application shall state whether the notice of registration
47 19 renewal shall be sent to the lessor or to the lessee and
47 20 whether the lessor or the lessee shall receive the
47 21 ~~registration fee~~ refund of the annual registration fee, if
47 22 any. Information relating to the lessee of a vehicle shall
47 23 not be required on an application for registration and a
47 24 certificate of title for a vehicle with a gross vehicle weight
47 25 rating of ten thousand pounds or more.

47 26 Sec. 51. Section 321.20, subsection 1, paragraph e, Code
47 27 2007, is amended to read as follows:

47 28 e. The amount of the fee for new registration to be paid
47 29 under section 321.105A or the amount of tax to be paid under
47 30 section 423.26, subsection 1.

47 31 Sec. 52. Section 321.20A, Code 2007, is amended to read as
47 32 follows:

47 33 321.20A CERTIFICATE OF TITLE AND REGISTRATION FEES ==
47 34 COMMERCIAL VEHICLES.

47 35 1. Notwithstanding other provisions of this chapter, the
48 1 owner of a commercial vehicle subject to the proportional
48 2 registration provisions of chapter 326 may make application to
48 3 the department or the appropriate county treasurer for a
48 4 certificate of title. The application for certificate of
48 5 title shall be made within thirty days of purchase or transfer
48 6 and shall be accompanied by a ten dollar title fee and the
48 7 appropriate ~~use tax~~ fee for new registration. The department
48 8 or the county treasurer shall deliver the certificate of title
48 9 to the owner if there is no security interest. If there is a
48 10 security interest, the title, when issued, shall be delivered
48 11 to the first secured party. Delivery may be made using
48 12 electronic means.

48 13 2. An owner of more than fifty commercial vehicles subject
48 14 to the proportional registration provisions of chapter 326 who
48 15 is issued a certificate of title under this section shall not
48 16 be subject to annual registration fees until the commercial
48 17 vehicle is driven or moved upon the highways. The annual
48 18 registration fee due shall be prorated for the remaining
48 19 unexpired months of the registration year. Ownership of the
48 20 commercial vehicle shall not be transferred until annual
48 21 registration fees have been paid to the department.

48 22 Sec. 53. Section 321.23, subsection 3, Code 2007, is
48 23 amended to read as follows:

48 24 3. In the event an applicant for registration of a foreign
48 25 vehicle for which a certificate of title has been issued is
48 26 able to furnish evidence of being the registered owner of the
48 27 vehicle to the county treasurer of the owner's residence,
48 28 although unable to surrender such certificate of title, the
48 29 county treasurer may issue a registration receipt and plates
48 30 upon receipt of the required annual registration fee and the
48 31 fee for new registration fee but shall not issue a certificate

48 32 of title thereto. Upon surrender of the certificate of title
48 33 from the foreign state, the county treasurer shall issue a
48 34 certificate of title to the owner, or person entitled thereto,
48 35 of such vehicle as provided in this chapter. The owner of a
49 1 vehicle registered under this subsection shall not be required
49 2 to obtain a certificate of title in this state and may
49 3 transfer ownership of the vehicle to a motor vehicle dealer
49 4 licensed under chapter 322 if, at the time of the transfer,
49 5 the certificate of title is held by a secured party and the
49 6 dealer has forwarded to the secured party the sum necessary to
49 7 discharge the security interest pursuant to section 321.48,
49 8 subsection 1.

49 9 Sec. 54. Section 321.24, subsections 1, 3, and 10, Code
49 10 Supplement 2007, are amended to read as follows:

49 11 1. Upon receipt of the application for title and payment
49 12 of the required fees for a motor vehicle, trailer, or
49 13 semitrailer, the county treasurer or the department shall,

49 14 when satisfied as to the application's genuineness and
49 15 regularity, and, in the case of a mobile home or manufactured
49 16 home, that taxes are not owing under chapter 423 or 435, issue
49 17 a certificate of title and, except for a mobile home or
49 18 manufactured home, a registration receipt, and shall file the
49 19 application, the manufacturer's or importer's certificate, the
49 20 certificate of title, or other evidence of ownership, as
49 21 prescribed by the department. The registration receipt shall
49 22 be delivered to the owner and shall contain upon its face the
49 23 date issued, the name and address of the owner, the
49 24 registration number assigned to the vehicle, the amount of the
49 25 fee paid, ~~the amount of tax paid pursuant to section 423.26,~~
49 26 the type of fuel used, a description of the vehicle as
49 27 determined by the department, and a form for notice of
49 28 transfer of the vehicle. The name and address of any lessee
49 29 of the vehicle shall not be printed on the registration
49 30 receipt or certificate of title. Up to three owners may be
49 31 listed on the registration receipt and certificate of title.

49 32 3. The certificate of title shall contain upon its face
49 33 the identical information required upon the face of the
49 34 registration receipt. In addition, the certificate of title
49 35 shall contain a statement of the owner's title, the title
50 1 number assigned to the owner or owners of the vehicle, ~~the~~
~~50 2 amount of tax paid pursuant to section 423.26,~~ the name and
50 3 address of the previous owner, and a statement of all security
50 4 interests and encumbrances as shown in the application, upon
50 5 the vehicle described, including the nature of the security
50 6 interest, date of perfection, and name and address of the
50 7 secured party.

50 8 10. A vehicle shall be registered for the registration
50 9 year. A vehicle registered for the first time in this state
50 10 shall be registered for the remaining unexpired months of the
50 11 registration year and pay ~~a~~ an annual registration fee
50 12 prorated for the remaining unexpired months of the
50 13 registration year plus a fee for new registration if
~~50 14 applicable pursuant to section 321.105A.~~ Except for a vehicle
50 15 registered under chapter 326, a vehicle registered for the
50 16 first time during the eleventh month of the owner's
50 17 registration year may be registered for the remaining
50 18 unexpired months of the registration year as provided in this
50 19 paragraph or for the remaining unexpired months of the
50 20 registration year and for the next registration year, upon
50 21 payment of the applicable registration fees.

50 22 Sec. 55. Section 321.26, subsection 2, Code 2007, is
50 23 amended to read as follows:

50 24 2. The county treasurer may adjust the renewal or
50 25 expiration date of vehicles when deemed necessary to equalize
50 26 the number of vehicles registered in each twelve-month period
50 27 or for the administrative efficiency of the county treasurer's
50 28 office. The adjustment shall be accomplished by delivery of a
50 29 written notice to the vehicle owner of the adjustment and
50 30 allowance of a credit for the remaining months of the unused
50 31 portion of the annual registration fee, rounded to the nearest
50 32 whole dollar, which amount shall be deducted from the annual
50 33 registration fee due at the time of registration. Upon
50 34 receipt of the notification the owner shall, within thirty
50 35 days, surrender the registration card and registration plates
51 1 to the county treasurer of the county where the vehicle is
51 2 registered, except that the registration plates shall not be
51 3 surrendered if validation stickers or other emblems are used
51 4 to designate the month and year of expiration of registration.
51 5 Upon payment of the annual registration fee, less the credit
51 6 allowed for the remaining months of the unused portion of the
51 7 annual registration fee, the county treasurer shall issue a
51 8 new registration card and registration plates, validation
51 9 stickers, or emblems which indicate the month and year of
51 10 expiration of registration.

51 11 Sec. 56. Section 321.30, subsection 1, paragraphs e and f,
51 12 Code Supplement 2007, are amended to read as follows:

51 13 e. That the required ~~fee has~~ registration fees have not
51 14 been paid except as provided in section 321.48.

51 15 f. ~~That For a vehicle subject only to a certificate of~~
~~51 16 title or a manufactured home, that the required use tax has~~
51 17 not been paid.

51 18 Sec. 57. Section 321.30, subsection 3, paragraph b, Code
51 19 Supplement 2007, is amended to read as follows:

51 20 b. If the applicant for registration of the vehicle has
51 21 failed to pay the required annual registration ~~fees~~ fee or the
~~51 22 fee for new registration~~ of any vehicle owned or previously
51 23 owned when the ~~registration~~ fee was required to be paid by the
51 24 applicant, and for which vehicle the registration was

51 25 suspended or revoked under section 321.101, subsection 1,
51 26 paragraph "d", or section 321.101A, until the ~~fees are~~ fee is
51 27 paid together with any accrued penalties.

51 28 Sec. 58. Section 321.34, subsection 2, unnumbered
51 29 paragraph 1, Code Supplement 2007, is amended to read as
51 30 follows:

51 31 In lieu of issuing new registration plates each
51 32 registration year for a vehicle renewing registration, the
51 33 department may reassign the registration plates previously
51 34 issued to the vehicle and may adopt and prescribe an annual
51 35 validation sticker indicating payment of annual registration
52 1 fees. The department shall issue one validation sticker for
52 2 each set of registration plates. The sticker shall specify
52 3 the month and year of expiration of the registration plates.
52 4 The sticker shall be displayed only on the rear registration
52 5 plate, except that the sticker shall be displayed on the front
52 6 registration plate of a truck tractor.

52 7 Sec. 59. Section 321.34, subsection 5, paragraphs b and c,
52 8 Code Supplement 2007, is amended to read as follows:

52 9 b. The county treasurer shall validate personalized
52 10 registration plates in the same manner as regular registration
52 11 plates are validated under this section at an annual fee of
52 12 five dollars in addition to the regular annual registration
52 13 fee. A person renewing a personalized registration plate
52 14 within one month following the time requirements under section
52 15 321.40 may renew the personalized plate without paying the
52 16 additional registration fee under paragraph "a" but shall pay
52 17 the five-dollar fee in addition to the regular annual
52 18 registration fee and any penalties subject to regular
52 19 registration plate holders for late renewal.

52 20 c. The fees collected by the director under this ~~section~~
52 21 subsection shall be paid to the treasurer of state and
52 22 credited by the treasurer of state as provided in section
52 23 321.145.

52 24 Sec. 60. Section 321.34, subsection 7, paragraph c, Code
52 25 Supplement 2007, is amended to read as follows:

52 26 c. (1) The fees for a collegiate registration plate are
52 27 as follows:

52 28 ~~(1)~~ (a) A registration fee of twenty-five dollars.

52 29 ~~(2)~~ (b) A special collegiate registration fee of
52 30 twenty-five dollars.

52 31 (2) These fees are in addition to the regular annual
52 32 registration fee. The fees collected by the director under
52 33 this subsection shall be paid monthly to the treasurer of
52 34 state and ~~credited by the treasurer of state to deposited in~~
52 35 ~~the road use tax fund. Notwithstanding section 423.43 and~~
~~53 1 prior to the revenues being credited to the road use tax fund~~
~~53 2 under section 423.43, subsection 1, paragraph "b", the The~~
53 3 treasurer of state shall credit monthly from ~~those revenues~~
~~53 4 respectively the statutory allocations fund created under~~
~~53 5 section 321.145, subsection 2, to Iowa state university of~~
53 6 science and technology, the university of northern Iowa, and
53 7 the state university of Iowa respectively, the amount of the
53 8 special collegiate registration fees collected in the previous
53 9 month for collegiate registration plates designed for the
53 10 university. The moneys credited are appropriated to the
53 11 respective universities to be used for scholarships for
53 12 students attending the universities.

53 13 Sec. 61. Section 321.34, subsection 10, paragraph c, Code
53 14 Supplement 2007, is amended to read as follows:

53 15 c. The special fees collected by the director under this
53 16 subsection shall be paid monthly to the treasurer of state and
53 17 ~~credited to deposited in~~ the road use tax fund.

~~53 18 Notwithstanding section 423.43, and prior to the crediting of~~
~~53 19 revenues to the road use tax fund under section 423.43,~~
~~53 20 subsection 1, paragraph "b", the The~~ treasurer of state shall
53 21 transfer monthly from ~~those revenues~~ the statutory allocations
~~53 22 fund created under section 321.145, subsection 2, to the Paul~~

53 23 Ryan memorial fire fighter safety training fund created
53 24 pursuant to section 100B.12 the amount of the special fees
53 25 collected in the previous month for the fire fighter plates.

53 26 Sec. 62. Section 321.34, subsection 10A, paragraph b, Code
53 27 Supplement 2007, is amended to read as follows:

53 28 b. The special fees collected by the director under this
53 29 subsection shall be paid monthly to the treasurer of state and
53 30 ~~credited to deposited in~~ the road use tax fund.

~~53 31 Notwithstanding section 423.43, and prior to the crediting of~~
~~53 32 revenues to the road use tax fund under section 423.43,~~
~~53 33 subsection 1, paragraph "b", the The~~ treasurer of state shall
53 34 transfer monthly from ~~those revenues~~ the statutory allocations
~~53 35 fund created under section 321.145, subsection 2, to the~~

54 1 emergency medical services fund created in section 135.25 the
54 2 amount of the special fees collected in the previous month for
54 3 issuance of emergency medical services plates.
54 4 Sec. 63. Section 321.34, subsection 11, paragraph c, Code
54 5 Supplement 2007, is amended to read as follows:
54 6 c. (1) The special natural resources fee for letter
54 7 number designated natural resources plates is forty=five
54 8 dollars. The fee for personalized natural resources plates is
54 9 forty=five dollars which shall be paid in addition to the
54 10 special natural resources fee of forty=five dollars. The fees
54 11 collected by the director under this subsection shall be paid
54 12 monthly to the treasurer of state and ~~credited to deposited in~~
54 13 ~~the road use tax fund. Notwithstanding section 423.43, and~~
54 14 ~~prior to the crediting of revenues to the road use tax fund~~
54 15 ~~under section 423.43, subsection 1, paragraph "b", the The~~
54 16 ~~treasurer of state shall credit monthly from those revenues~~
54 17 ~~the statutory allocations fund created under section 321.145,~~
54 18 ~~subsection 2, to the Iowa resources enhancement and protection~~
54 19 ~~fund created pursuant to section 455A.18, the amount of the~~
54 20 ~~special natural resources fees collected in the previous month~~
54 21 ~~for the natural resources plates.~~
54 22 (2) From the moneys credited to the Iowa resources
54 23 enhancement and protection fund under ~~this paragraph "c",~~
54 24 ~~subparagraph (1),~~ ten dollars of the fee collected for each
54 25 natural resources plate issued, and fifteen dollars from each
54 26 renewal fee, shall be allocated to the department of natural
54 27 resources wildlife bureau to be used for nongame wildlife
54 28 programs.
54 29 Sec. 64. Section 321.34, subsection 11A, paragraph c, Code
54 30 Supplement 2007, is amended to read as follows:
54 31 c. The special fee for letter number designated love our
54 32 kids plates is thirty=five dollars. The fee for personalized
54 33 love our kids plates is twenty=five dollars, which shall be
54 34 paid in addition to the special love our kids fee of
54 35 thirty=five dollars. The fees collected by the director under
55 1 this subsection shall be paid monthly to the treasurer of
55 2 state and ~~credited to deposited in~~ the road use tax fund.
55 3 ~~Notwithstanding section 423.43, and prior to the crediting of~~
55 4 ~~revenues to the road use tax fund under section 423.43,~~
55 5 ~~subsection 1, paragraph "b", the The~~ treasurer of state shall
55 6 transfer monthly from ~~those revenues~~ the statutory allocations
55 7 fund created under section 321.145, subsection 2, to the Iowa
55 8 department of public health the amount of the special fees
55 9 collected in the previous month for the love our kids plates.
55 10 Notwithstanding section 8.33, moneys transferred under this
55 11 subsection shall not revert to the general fund of the state.
55 12 Sec. 65. Section 321.34, subsection 11B, paragraph c, Code
55 13 Supplement 2007, is amended to read as follows:
55 14 c. The special fee for letter number designated motorcycle
55 15 rider education plates is thirty=five dollars. The fee for
55 16 personalized motorcycle rider education plates is twenty=five
55 17 dollars, which shall be paid in addition to the special
55 18 motorcycle rider education fee of thirty=five dollars. The
55 19 fees collected by the director under this subsection shall be
55 20 paid monthly to the treasurer of state and ~~credited to~~
55 21 ~~deposited in~~ the road use tax fund. ~~Notwithstanding section~~
55 22 ~~423.43, and prior to the crediting of revenues to the road use~~
55 23 ~~tax fund under section 423.43, subsection 1, paragraph "b",~~
55 24 ~~the The~~ treasurer of state shall transfer monthly from ~~those~~
55 25 ~~revenues~~ the statutory allocations fund created under section
55 26 321.145, subsection 2, to the department for use in accordance
55 27 with section 321.180B, subsection 6, the amount of the special
55 28 fees collected in the previous month for the motorcycle rider
55 29 education plates.
55 30 Sec. 66. Section 321.34, subsection 13, paragraph d, Code
55 31 Supplement 2007, is amended to read as follows:
55 32 d. A state agency may submit a request to the department
55 33 recommending a special registration plate. The alternate fee
55 34 for letter number designated plates is thirty=five dollars
55 35 with a ten dollar annual special renewal fee. The fee for
56 1 personalized plates is twenty=five dollars which is in
56 2 addition to the alternative fee of thirty=five dollars with an
56 3 annual personalized plate renewal fee of five dollars which is
56 4 in addition to the special renewal fee of ten dollars. The
56 5 alternate fees are in addition to the regular annual
56 6 registration fee. The alternate fees collected under this
56 7 paragraph shall be paid monthly to the treasurer of state and
56 8 ~~credited to deposited in~~ the road use tax fund.
56 9 ~~Notwithstanding section 423.43, and prior to the crediting of~~
56 10 ~~the revenues to the road use tax fund under section 423.43,~~
56 11 ~~subsection 1, paragraph "b", the The~~ treasurer of state shall

56 12 credit monthly from the statutory allocations fund created
56 13 under section 321.145, subsection 2, the amount of the
56 14 alternate fees collected in the previous month to the state
56 15 agency that recommended the special registration plate.
56 16 Sec. 67. Section 321.34, subsection 16, unnumbered
56 17 paragraph 1, Code Supplement 2007, is amended to read as
56 18 follows:
56 19 An owner referred to in subsection 12 who is a member of
56 20 the national guard, as defined in chapter 29A, may, upon
56 21 written application to the department, order special
56 22 registration plates with a national guard processed emblem
56 23 with the emblem designed by the department in cooperation with
56 24 the adjutant general which emblem signifies that the applicant
56 25 is a member of the national guard. The application shall be
56 26 approved by the department in consultation with the adjutant
56 27 general. The special plate fees collected by the director
56 28 under subsection 12, paragraph "a", from the issuance and
56 29 annual validation of letter=number designated and personalized
56 30 national guard plates shall be paid monthly to the treasurer
56 31 of state and ~~credited to deposited in~~ the road use tax fund.
56 32 ~~Notwithstanding section 423.43, and prior to the crediting of~~
56 33 ~~revenues to the road use tax fund under section 423.43,~~
56 34 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
56 35 transfer monthly from ~~those revenues~~ the statutory allocations
57 1 fund created under section 321.145, subsection 2, to the
57 2 veterans license fee fund created in section 35A.11 the amount
57 3 of the special fees collected in the previous month for
57 4 national guard plates. Special registration plates with a
57 5 national guard processed emblem shall be surrendered, as
57 6 provided in subsection 12, in exchange for regular
57 7 registration plates upon termination of the owner's membership
57 8 in the active national guard.
57 9 Sec. 68. Section 321.34, subsection 17, unnumbered
57 10 paragraph 1, Code Supplement 2007, is amended to read as
57 11 follows:
57 12 An owner referred to in subsection 12 who was at Pearl
57 13 Harbor, Hawaii, as a member of the armed services of the
57 14 United States on December 7, 1941, may, upon written
57 15 application to the department, order special registration
57 16 plates with a Pearl Harbor processed emblem. The emblem shall
57 17 be designed by the department in consultation with service
57 18 organizations. The application is subject to approval by the
57 19 department. The special plate fees collected by the director
57 20 under subsection 12, paragraph "a", from the issuance and
57 21 annual validation of letter=number designated and personalized
57 22 Pearl Harbor plates shall be paid monthly to the treasurer of
57 23 state and ~~credited to deposited in~~ the road use tax fund.
57 24 ~~Notwithstanding section 423.43, and prior to the crediting of~~
57 25 ~~revenues to the road use tax fund under section 423.43,~~
57 26 ~~subsection 1, paragraph "b", the~~ The treasurer of state shall
57 27 transfer monthly from ~~those revenues~~ the statutory allocations
57 28 fund created under section 321.145, subsection 2, to the
57 29 veterans license fee fund created in section 35A.11 the amount
57 30 of the special fees collected in the previous month for Pearl
57 31 Harbor plates.
57 32 Sec. 69. Section 321.34, subsection 18, unnumbered
57 33 paragraph 1, Code Supplement 2007, is amended to read as
57 34 follows:
57 35 An owner referred to in subsection 12 who was awarded a
58 1 purple heart medal by the United States government for wounds
58 2 received in military or naval combat against an armed enemy of
58 3 the United States may, upon written application to the
58 4 department and presentation of satisfactory proof of the award
58 5 of the purple heart medal, order special registration plates
58 6 with a purple heart processed emblem. The design of the
58 7 emblem shall include a representation of a purple heart medal
58 8 and ribbon. The application is subject to approval by the
58 9 department in consultation with the adjutant general. The
58 10 special plate fees collected by the director under subsection
58 11 12, paragraph "a", from the issuance and annual validation of
58 12 letter=number designated and personalized purple heart plates
58 13 shall be paid monthly to the treasurer of state and ~~credited~~
58 14 ~~to deposited in~~ the road use tax fund. ~~Notwithstanding~~
58 15 ~~section 423.43, and prior to the crediting of revenues to the~~
58 16 ~~road use tax fund under section 423.43, subsection 1,~~
58 17 ~~paragraph "b", the~~ The treasurer of state shall transfer
58 18 monthly from ~~those revenues~~ the statutory allocations fund
58 19 created under section 321.145, subsection 2, to the veterans
58 20 license fee fund created in section 35A.11 the amount of the
58 21 special fees collected in the previous month for purple heart
58 22 plates.

58 23 Sec. 70. Section 321.34, subsection 19, unnumbered
58 24 paragraph 1, Code Supplement 2007, is amended to read as
58 25 follows:

58 26 An owner referred to in subsection 12 who is a retired
58 27 member of the United States armed forces may, upon written
58 28 application to the department and upon presentation of
58 29 satisfactory proof of membership, order special registration
58 30 plates with a United States armed forces retired processed
58 31 emblem. The emblem shall be designed by the department in
58 32 consultation with service organizations. The application is
58 33 subject to approval by the department. For purposes of this
58 34 subsection, a person is considered to be retired if the person
58 35 is recognized by the United States armed forces as retired
59 1 from the United States armed forces. The special plate fees
59 2 collected by the director under subsection 12, paragraph "a",
59 3 from the issuance and annual validation of letter-number
59 4 designated and personalized armed forces retired plates shall
59 5 be paid monthly to the treasurer of state and ~~credited to~~
59 6 ~~deposited in~~ the road use tax fund. ~~Notwithstanding section~~
~~59 7 423.43, and prior to the crediting of revenues to the road use~~
~~59 8 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~59 9 the The~~ treasurer of state shall transfer monthly from ~~those~~
~~59 10 revenues the statutory allocations fund created under section~~
~~59 11 321.145, subsection 2,~~ to the veterans license fee fund
59 12 created in section 35A.11 the amount of the special fees
59 13 collected in the previous month for armed forces retired
59 14 plates.

59 15 Sec. 71. Section 321.34, subsection 20, unnumbered
59 16 paragraph 1, Code Supplement 2007, is amended to read as
59 17 follows:

59 18 An owner referred to in subsection 12 who was awarded a
59 19 silver or a bronze star by the United States government, may,
59 20 upon written application to the department and presentation of
59 21 satisfactory proof of the award of the silver or bronze star,
59 22 order special registration plates with a silver or bronze star
59 23 processed emblem. The emblem shall be designed by the
59 24 department in consultation with the adjutant general. The
59 25 special plate fees collected by the director under subsection
59 26 12, paragraph "a", from the issuance and annual validation of
59 27 letter-number designated and personalized silver star and
59 28 bronze star plates shall be paid monthly to the treasurer of
59 29 state and ~~credited to~~ ~~deposited in~~ the road use tax fund.
59 30 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~59 31 revenues to the road use tax fund under section 423.43,~~
~~59 32 subsection 1, paragraph "b", the The~~ treasurer of state shall
59 33 transfer monthly from ~~those revenues the statutory allocations~~
~~59 34 fund created under section 321.145, subsection 2,~~ to the
59 35 veterans license fee fund created in section 35A.11 the amount
60 1 of the special fees collected in the previous month for silver
60 2 star and bronze star plates.

60 3 Sec. 72. Section 321.34, subsection 20A, unnumbered
60 4 paragraph 1, Code Supplement 2007, is amended to read as
60 5 follows:

60 6 An owner referred to in subsection 12 who was awarded a
60 7 distinguished service cross, a navy cross, or an air force
60 8 cross by the United States government may, upon written
60 9 application to the department and presentation of satisfactory
60 10 proof of the award, order special registration plates with a
60 11 distinguished service cross, navy cross, or air force cross
60 12 processed emblem. The emblem shall be designed by the
60 13 department in consultation with the adjutant general. The
60 14 special plate fees collected by the director under subsection
60 15 12, paragraph "a", from the issuance and annual validation of
60 16 letter-number designated and personalized distinguished
60 17 service cross, navy cross, and air force cross plates shall be
60 18 paid monthly to the treasurer of state and ~~credited to~~
60 19 ~~deposited in~~ the road use tax fund. ~~Notwithstanding section~~
~~60 20 423.43, and prior to the crediting of revenues to the road use~~
~~60 21 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~60 22 the The~~ treasurer of state shall transfer monthly from ~~those~~
~~60 23 revenues the statutory allocations fund created under section~~
~~60 24 321.145, subsection 2,~~ to the veterans license fee fund
60 25 created in section 35A.11 the amount of the special fees
60 26 collected in the previous month for distinguished service
60 27 cross, navy cross, and air force cross plates.

60 28 Sec. 73. Section 321.34, subsection 20B, unnumbered
60 29 paragraph 1, Code Supplement 2007, is amended to read as
60 30 follows:

60 31 An owner referred to in subsection 12 who was awarded a
60 32 soldier's medal, a navy and marine corps medal, or an airman's
60 33 medal by the United States government may, upon written

60 34 application to the department and presentation of satisfactory
60 35 proof of the award, order special registration plates with a
61 1 soldier's medal, navy and marine corps medal, or airman's
61 2 medal processed emblem. The emblem shall be designed by the
61 3 department in consultation with the adjutant general. The
61 4 special plate fees collected by the director under subsection
61 5 12, paragraph "a", from the issuance and annual validation of
61 6 letter-number designated and personalized soldier's medal,
61 7 navy and marine corps medal, and airman's medal plates shall
61 8 be paid monthly to the treasurer of state and ~~credited to~~
61 9 ~~deposited in~~ the road use tax fund. ~~Notwithstanding section~~
~~61 10 423.43, and prior to the crediting of revenues to the road use~~
~~61 11 tax fund under section 423.43, subsection 1, paragraph "b",~~
~~61 12 the The~~ treasurer of state shall transfer monthly from ~~those~~
~~61 13 revenues the statutory allocations fund created under section~~
~~61 14 321.145, subsection 2,~~ to the veterans license fee fund
61 15 created in section 35A.11 the amount of the special fees
61 16 collected in the previous month for soldier's medal, navy and
61 17 marine corps medal, and airman's medal plates.
61 18 Sec. 74. Section 321.34, subsection 21, paragraph c, Code
61 19 Supplement 2007, is amended to read as follows:
61 20 c. The special fees collected by the director under this
61 21 subsection shall be paid monthly to the treasurer of state and
61 22 ~~credited to deposited in~~ the road use tax fund.
61 23 ~~Notwithstanding section 423.43, and prior to the crediting of~~
~~61 24 revenues to the road use tax fund under section 423.43,~~
~~61 25 subsection 1, paragraph "b", the The~~ treasurer of state shall
61 26 credit monthly from ~~the statutory allocations fund created~~
~~61 27 under section 321.145, subsection 2,~~ to the Iowa heritage fund
61 28 created under section 303.9A the amount of the special fees
61 29 collected in the previous month for the Iowa heritage plates.
61 30 Sec. 75. Section 321.34, subsection 22, paragraph b, Code
61 31 Supplement 2007, is amended to read as follows:
61 32 b. The special school transportation fee for letter number
61 33 designated education plates is thirty=five dollars. The fee
61 34 for personalized education plates is twenty=five dollars,
61 35 which shall be paid in addition to the special school
62 1 transportation fee of thirty=five dollars. The annual special
62 2 school transportation fee is ten dollars for letter number
62 3 designated registration plates and is fifteen dollars for
62 4 personalized registration plates which shall be paid in
62 5 addition to the regular annual registration fee. The fees
62 6 collected by the director under this subsection shall be paid
62 7 monthly to the treasurer of state and ~~credited to deposited in~~
62 8 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~62 9 prior to the crediting of revenues to the road use tax fund~~
~~62 10 under section 423.43, subsection 1, paragraph "b", the The~~
62 11 treasurer of state shall transfer monthly from ~~those revenues~~
62 12 ~~the statutory allocations fund created under section 321.145,~~
62 13 ~~subsection 2,~~ to the school budget review committee in
62 14 accordance with section 257.31, subsection 17, the amount of
62 15 the special school transportation fees collected in the
62 16 previous month for the education plates.
62 17 Sec. 76. Section 321.34, subsection 23, paragraph c, Code
62 18 Supplement 2007, is amended to read as follows:
62 19 c. The special fee for letter number designated breast
62 20 cancer awareness plates is thirty=five dollars. The fee for
62 21 personalized breast cancer awareness plates is twenty=five
62 22 dollars, which shall be paid in addition to the special breast
62 23 cancer awareness fee of thirty=five dollars. The fees
62 24 collected by the director under this subsection shall be paid
62 25 monthly to the treasurer of state and ~~credited to deposited in~~
62 26 the road use tax fund. ~~Notwithstanding section 423.43, and~~
~~62 27 prior to the crediting of revenues to the road use tax fund~~
~~62 28 under section 423.43, subsection 1, paragraph "b", the The~~
62 29 treasurer of state shall transfer monthly from ~~those revenues~~
62 30 ~~the statutory allocations fund created under section 321.145,~~
62 31 ~~subsection 2,~~ to the Iowa department of public health the
62 32 amount of the special fees collected in the previous month for
62 33 the breast cancer awareness plates and such funds are
62 34 appropriated to the Iowa department of public health. The
62 35 Iowa department of public health shall distribute one hundred
63 1 percent of the funds received monthly in the form of grants to
63 2 support breast cancer screenings for both men and women who
63 3 meet eligibility requirements like those established by the
63 4 Susan G. Komen foundation. In the awarding of grants, the
63 5 Iowa department of public health shall give first
63 6 consideration to affiliates of the Susan G. Komen foundation
63 7 and similar nonprofit organizations providing for breast
63 8 cancer screenings at no cost in Iowa. Notwithstanding section
63 9 8.33, moneys transferred under this subsection shall not

63 10 revert to the general fund of the state.

63 11 Sec. 77. Section 321.34, subsection 24, Code Supplement
63 12 2007, is amended to read as follows:

63 13 24. GOLD STAR PLATES. An owner referred to in subsection
63 14 12 who is the surviving spouse, parent, child, or sibling of a
63 15 deceased member of the United States armed forces who died
63 16 while serving on active duty during a time of military
63 17 conflict may order special registration plates bearing a gold
63 18 star emblem upon written application to the department
63 19 accompanied by satisfactory supporting documentation as
63 20 determined by the department. The gold star emblem shall be
63 21 designed by the department in cooperation with the commission
63 22 of veterans affairs. The special plate fees collected by the
63 23 director under subsection 12, paragraph "a", from the issuance
63 24 and annual validation of letter=number designated and
63 25 personalized gold star plates shall be paid monthly to the
63 26 treasurer of state and ~~credited to deposited in~~ the road use
63 27 tax fund. ~~Notwithstanding section 423.43, and prior to the~~
~~63 28 crediting of revenues to the road use tax fund under section~~
~~63 29 423.43, subsection 1, paragraph "b", the~~ The treasurer of
63 30 state shall transfer monthly from ~~those revenues the statutory~~
~~63 31 allocations fund created under section 321.145, subsection 2,~~
63 32 to the veterans license fee fund created in section 35A.11 the
63 33 amount of the special fees collected in the previous month for
63 34 gold star plates.

63 35 Sec. 78. Section 321.39, subsections 3 and 4, Code 2007,
64 1 are amended to read as follows:

64 2 3. For vehicles on which the first installment of an
64 3 annual registration fee has been paid, at midnight on the last
64 4 day of June or the first business day of July when June 30
64 5 falls on Saturday, Sunday, or a holiday; for vehicles on which
64 6 the second installment of an annual registration fee has been
64 7 paid, at midnight on the last day of December or the first
64 8 business day of January when December 31 falls on Saturday,
64 9 Sunday, or a holiday.

64 10 4. For vehicles registered without payment of annual
~~64 11 registration~~ fees as provided in section 321.19, when
64 12 designated by the department.

64 13 5. Registration for every vehicle registered by the county
64 14 treasurer shall expire upon transfer of ownership.

64 15 Sec. 79. Section 321.40, subsection 1, Code Supplement
64 16 2007, is amended to read as follows:

64 17 1. Application for renewal of a vehicle registration shall
64 18 be made on or after the first day of the month prior to the
64 19 month of expiration of registration and up to and including
64 20 the last day of the month following the month of expiration of
64 21 registration. The registration shall be renewed upon payment
64 22 of the appropriate annual registration fee. Application for
64 23 renewal for a vehicle registered under chapter 326 shall be
64 24 made on or after the first day of the month of expiration of
64 25 registration and up to and including the last day of the month
64 26 following the month of expiration of registration.

64 27 Sec. 80. Section 321.46, subsections 2, 3, 4, 6, and 7,
64 28 Code 2007, are amended to read as follows:

64 29 2. Upon filing the application for a new registration and
64 30 a new title, the applicant shall pay a title fee of ten
64 31 dollars ~~and a~~, an annual registration fee prorated for the
64 32 remaining unexpired months of the registration year, and a fee
~~64 33 for new registration if applicable.~~ A manufacturer applying

64 34 for a certificate of title pursuant to section 322G.12 shall
64 35 pay a title fee of two dollars. However, a title fee shall
65 1 not be charged to a manufactured or mobile home retailer
65 2 applying for a certificate of title for a used mobile home or
65 3 manufactured home, titled in Iowa, as required under section
65 4 321.45, subsection 4. The county treasurer, if satisfied of
65 5 the genuineness and regularity of the application, and in the
65 6 case of a mobile home or manufactured home, that taxes are not
65 7 owing under chapter 435, and that applicant has complied with
65 8 all the requirements of this chapter, shall issue a new
65 9 certificate of title and, except for a mobile home,
65 10 manufactured home, or a vehicle returned to and accepted by a
65 11 manufacturer as described in section 322G.12, a registration
65 12 card to the purchaser or transferee, shall cancel the prior
65 13 registration for the vehicle, and shall forward the necessary
65 14 copies to the department on the date of issuance, as
65 15 prescribed in section 321.24. Mobile homes or manufactured
65 16 homes titled under chapter 448 that have been subject under
65 17 section 446.18 to a public bidder sale in a county shall be
65 18 titled in the county's name, with no fee, and the county
65 19 treasurer shall issue the title.

65 20 3. The applicant shall be entitled to a credit for that

65 21 portion of the annual registration fee of the vehicle sold,
65 22 traded, or junked which had not expired prior to the transfer
65 23 of ownership of the vehicle. The annual registration fee for
65 24 the new registration for the vehicle acquired shall be reduced
65 25 by the amount of the credit. The credit shall be computed on
65 26 the basis of the number of months remaining in the
65 27 registration year, rounded to the nearest whole dollar. The
65 28 credit shall be subject to the following limitations:
65 29 a. The credit shall be claimed within thirty days from the
65 30 date the vehicle for which credit is granted was sold,
65 31 transferred, or junked. After thirty days, all credits shall
65 32 be disallowed.
65 33 b. Any credit granted to the owner of a vehicle which has
65 34 been sold, traded, or junked may only be claimed by that
65 35 person toward the annual registration fee for another vehicle
66 1 purchased and the credit may not be sold, transferred, or
66 2 assigned to any other person.
66 3 c. When the amount of the credit is computed to be an
66 4 amount of less than ten dollars, a credit shall be disallowed.
66 5 d. To claim a credit for the unexpired annual registration
66 6 fee on a junked vehicle, the county treasurer shall disallow
66 7 any claim for credit unless the owner presents a junking
66 8 certificate or other evidence as required by the department to
66 9 the county treasurer.
66 10 e. A credit shall not be allowed to any person who has
66 11 made claim to receive a refund under section 321.126.
66 12 f. If the credit allowed exceeds the amount of the annual
66 13 registration fee for the vehicle acquired, the owner may claim
66 14 a refund under section 321.126, subsection 6, for the balance
66 15 of the credit.
66 16 g. The credit shall be computed on the unexpired number of
66 17 months computed from the date of purchase of the vehicle
66 18 acquired.
66 19 4. If the annual registration fee upon application is
66 20 delinquent, the applicant shall be required to pay the
66 21 delinquent fee from the first day the annual registration fee
66 22 was due prorated to the month of application for new title.
66 23 6. An applicant for a new registration for a vehicle
66 24 transferred to the applicant by a spouse, parent, or child of
66 25 the applicant, or by operation of law upon inheritance, devise
66 26 or bequest, from the applicant's spouse, parent, or child, or
66 27 by a former spouse pursuant to a decree of dissolution of
66 28 marriage, is entitled to a credit to be applied to the annual
66 29 registration fee for the transferred vehicle. A credit shall
66 30 not be allowed unless the vehicle to which the credit applies
66 31 is registered within the time specified under subsection 1.
66 32 The credit shall be computed on the basis of the number of
66 33 unexpired months remaining in the registration year of the
66 34 former owner computed from the date the vehicle was
66 35 transferred, computed to the nearest whole dollar. The credit
67 1 may exceed the amount of the annual registration fee for the
67 2 transferred vehicle. When the amount of the credit is
67 3 computed to be an amount of less than ten dollars, the credit
67 4 shall be disallowed. The credit shall not be sold,
67 5 transferred, or assigned to any other person.
67 6 7. If a motor vehicle is leased and the lessee purchases
67 7 the vehicle upon termination of the lease, the lessor shall,
67 8 upon claim by the lessee with the lessor within thirty days of
67 9 the purchase, assign the annual registration fee credit and
67 10 registration plates for the leased motor vehicle to the
67 11 lessee. Credit shall be applied as provided in subsection 3.
67 12 Sec. 81. Section 321.46A, Code 2007, is amended to read as
67 13 follows:
67 14 321.46A CHANGE FROM PROPORTIONAL REGISTRATION == CREDIT.
67 15 An owner changing a vehicle's registration from
67 16 proportional registration under chapter 326 to registration
67 17 under this chapter shall be entitled to a credit on the
67 18 vehicle's annual registration fees under this chapter. The
67 19 credit shall be allowed when the owner surrenders to the
67 20 county treasurer proof of proportional registration provided
67 21 by the department. The amount of the credit shall be
67 22 calculated based on the unexpired complete calendar months
67 23 remaining in the registration year from the date the
67 24 application is filed with the county treasurer.
67 25 Sec. 82. Section 321.52, subsections 1 and 3, Code
67 26 Supplement 2007, are amended to read as follows:
67 27 1. When a vehicle is sold outside the state for purposes
67 28 other than for junk, the owner, dealer or otherwise, shall
67 29 detach the registration plates and registration card and shall
67 30 indicate on the registration card the name and address of the
67 31 foreign purchaser or transferee over the person's signature.

67 32 Unless the registration plates are legally attached to another
67 33 vehicle, the owner shall surrender the registration plates and
67 34 registration card to the county treasurer, who shall cancel
67 35 the records, destroy the registration plates, and forward the
68 1 registration card to the department. The department shall
68 2 make a notation on the records of the out-of-state sale and,
68 3 after a reasonable period, may destroy the files for that
68 4 particular vehicle. The department is not authorized to make
68 5 a refund of annual registration fees on a vehicle sold out of
68 6 state unless it receives the registration card completed as
68 7 provided in this section.

68 8 3. When a vehicle for which a certificate of title is
68 9 issued is junked or dismantled by the owner, the owner shall
68 10 detach the registration plates and surrender the plates to the
68 11 county treasurer, unless the plates are properly assigned to
68 12 another vehicle. The owner shall also surrender the
68 13 certificate of title to the county treasurer. Upon
68 14 surrendering the certificate of title and application for
68 15 junking certificate, the county treasurer shall issue to the
68 16 person, without fee, a junking certificate, which shall
68 17 authorize the holder to possess, transport or transfer
68 18 ownership of the junked vehicle by endorsement of the junking
68 19 certificate. The county treasurer shall hold the surrendered
68 20 certificate of title, registration receipt, application for
68 21 junking certificate, and, if applicable, the registration
68 22 plates for a period of fourteen days following the issuance of
68 23 a junking certificate under this subsection. Within the
68 24 fourteen-day period the person who was issued the junking
68 25 certificate and to whom the vehicle was titled or assigned may
68 26 surrender to the county treasurer the junking certificate, and
68 27 upon the person's payment of appropriate fees and taxes and
68 28 payment of any credit for annual registration fees received by
68 29 the person for the vehicle under section 321.46, subsection 3,
68 30 the county treasurer shall issue to the person a certificate
68 31 of title for the vehicle. After the expiration of the
68 32 fourteen-day period, a county treasurer shall not issue a
68 33 certificate of title for a junked vehicle for which a junking
68 34 certificate is issued. The county treasurer shall cancel the
68 35 record of the vehicle and forward the certificate of title to
69 1 the department.

69 2 However, upon application the department upon a showing of
69 3 good cause may issue a certificate of title after the
69 4 fourteen-day period for a junked vehicle for which a junking
69 5 certificate has been issued. For purposes of this subsection,
69 6 "good cause" means that the junking certificate was obtained
69 7 by mistake or inadvertence. If a person's application to the
69 8 department is denied, the person may make application for a
69 9 certificate of title under the bonding procedure as provided
69 10 in section 321.24, if the vehicle qualifies as an antique
69 11 vehicle under section 321.115, subsection 1, or the person may
69 12 seek judicial review as provided under sections 17A.19 and
69 13 17A.20.

69 14 Sec. 83. Section 321.70, Code 2007, is amended to read as
69 15 follows:

69 16 321.70 DEALER VEHICLES.

69 17 A dealer registered under this chapter shall not be
69 18 required to register any vehicle owned by the dealer which is
69 19 being held for sale or trade, provided the annual registration
69 20 fee was not delinquent at the time the vehicle was acquired by
69 21 the dealer. When a dealer ceases to hold any vehicle for sale
69 22 or trade or the vehicle otherwise becomes subject to
69 23 registration under this chapter the annual registration fee
69 24 and delinquent annual registration fee, if any, shall be due
69 25 for the registration year.

69 26 Sec. 84. Section 321.101, subsection 1, paragraph d, Code
69 27 Supplement 2007, is amended to read as follows:

69 28 d. When the department determines that the required annual
69 29 registration fee has not been paid and the fee is not paid
69 30 upon reasonable notice and demand.

69 31 Sec. 85. Section 321.101A, Code 2007, is amended to read
69 32 as follows:

69 33 321.101A REVOCATION OF REGISTRATION BY COUNTY TREASURER.

69 34 The county treasurer may revoke the registration and
69 35 registration plates of a vehicle if the annual registration
70 1 ~~fees are fee or the fee for new registration is~~ paid by check,
70 2 electronic payment, or credit card and the check, electronic
70 3 payment, or credit card is not honored by the payer's
70 4 financial institution or credit card company, upon reasonable
70 5 notice and demand. The owner of the vehicle or person in
70 6 possession of the registration and registration plates for the
70 7 vehicle shall immediately return the revoked registration and

70 8 registration plates to the appropriate county treasurer's
70 9 office.

70 10 Sec. 86. Section 321.105, Code 2007, is amended to read as
70 11 follows:

70 12 321.105 ANNUAL REGISTRATION FEE REQUIRED.

70 13 1. An annual registration fee shall be paid for each
70 14 vehicle operated upon the public highways of this state unless
70 15 the vehicle is specifically exempted under this chapter. If a
70 16 vehicle, which has been registered for the current
70 17 registration year, is transferred during the registration
70 18 year, the transferee shall reregister the vehicle as provided
70 19 in section 321.46.

70 20 2. The annual registration fee shall be paid to the county
70 21 treasurer at the same time the application is made for the
70 22 registration or reregistration of the motor vehicle or
70 23 trailer. An owner may, when applying for registration or
70 24 reregistration of a motor vehicle or trailer, request that the
70 25 plates be mailed to the owner's post-office address. The
70 26 owner's request shall be accompanied by a mailing fee as
70 27 determined annually by the director in consultation with the
70 28 Iowa county treasurers association.

70 29 3. Upon application by a financial institution, as defined
70 30 in section 422.61, and approval of the application by the
70 31 county treasurer, the county treasurer in any county may
70 32 authorize the financial institution to receive applications
70 33 for renewal of vehicle registrations and payment of the annual
70 34 registration fees. The annual registration fees shall be
70 35 delivered to the county treasurer at the time the county
71 1 treasurer has processed the vehicle registration application.
71 2 ~~Registration~~ Annual registration fees received with vehicle
71 3 registration applications shall be designated as public funds
71 4 only upon receipt of such funds by the county treasurer from
71 5 the financial institution.

71 6 4. In addition to the payment of an annual registration
71 7 fee for each trailer and semitrailer to be issued an annual
71 8 registration plate, an additional registration fee may be paid
71 9 for a period of two or four subsequent registration years.

71 10 5. Seriously disabled veterans who have been provided with
71 11 an automobile or other vehicle by the United States government
71 12 under the provisions of sections 1901 to 1903, Title 38 of the
71 13 United States Code, 38 U.S.C. } 1901 et seq. (1970), shall be
71 14 exempt from payment of any automobile registration fee
71 15 provided in this chapter, and shall be provided, without fee,
71 16 with a registration plate. The disabled veteran, to be able
71 17 to claim the above benefit, must be a resident of the state of
71 18 Iowa. The disabled veteran may obtain a special or
71 19 personalized plate under section 321.34 by paying the
71 20 difference between the fee for a regular registration plate
71 21 and the fee for the special or personalized registration
71 22 plate.

71 23 Sec. 87. Section 321.106, subsections 1, 2, and 4, Code
71 24 2007, are amended to read as follows:

71 25 1. When a vehicle is registered under chapter 326 or a
71 26 motor truck, truck tractor, or road tractor is registered for
71 27 a combined gross weight exceeding five tons and there is no
71 28 delinquency and the registration is made in February or
71 29 succeeding months through November, the annual registration
71 30 fee shall be prorated for the remaining unexpired months of
71 31 the registration year. A fee shall not be required for the
71 32 month of December for a vehicle registered on a calendar year
71 33 basis on which there is no delinquency. However, except for a
71 34 vehicle registered under chapter 326, when such a vehicle is
71 35 registered in November, the vehicle may be registered for the
72 1 remaining unexpired months of the registration year or for the
72 2 remaining unexpired months of the registration year and for
72 3 the next registration year, upon payment of the applicable
72 4 registration fees.

72 5 2. When a vehicle is registered on a birth month basis and
72 6 there is no delinquency and the registration is made in the
72 7 month after the beginning of the registration year or
72 8 succeeding months, the annual registration fee shall be
72 9 prorated for the remaining unexpired months of the
72 10 registration year. A fee shall not be required for the month
72 11 of the owner's birthday for a vehicle on which there is no
72 12 delinquency. However, when a vehicle registered on a birth
72 13 month basis is registered during the eleventh month of the
72 14 registration year, the vehicle may be registered for the
72 15 remaining unexpired months of the registration year or for the
72 16 remaining unexpired months of the registration year and for
72 17 the next registration year, upon payment of the applicable
72 18 registration fees.

72 19 4. A reduction in the annual registration fee shall not be
72 20 allowed by the department until the applicant files
72 21 satisfactory evidence to prove that there is no delinquency in
72 22 registration.

72 23 Sec. 88. Section 321.109, subsection 3, Code 2007, is
72 24 amended to read as follows:

72 25 3. The owner of an unregistered motor vehicle or motor
72 26 vehicle for which the registration is delinquent may make
72 27 application to the county treasurer of the county of residence
72 28 or, if the unregistered or delinquent motor vehicle is
72 29 purchased by a nonresident of the state, to the county
72 30 treasurer in the county of purchase, for a temporary
72 31 thirty-day permit for a fee of twenty-five dollars. The
72 32 permit shall authorize the motor vehicle to be driven or towed
72 33 upon the highway, but shall not authorize a motor truck or
72 34 truck tractor to haul or tow a load. The permit fee shall not
72 35 be considered a registration fee or exempt the owner from
73 1 payment of all other fees, registration fees, and penalties
73 2 due. If the annual registration fee for the motor vehicle is
73 3 delinquent, the annual registration fee and penalty shall
73 4 continue to accrue until paid. The permit fee shall not be
73 5 prorated, refunded, or used as credit as provided under
73 6 section 321.46. The permit shall be displayed in the upper
73 7 left-hand corner of the rear window of all motor vehicles,
73 8 except motorcycles. Permits issued for a motorcycle shall be
73 9 attached to the rear of the motorcycle.

73 10 Sec. 89. Section 321.110, Code 2007, is amended to read as
73 11 follows:

73 12 321.110 REJECTING FRACTIONAL DOLLARS.

73 13 When the annual registration fee, computed according to
73 14 section 321.109, subsection 1, totals a fraction over a
73 15 certain number of dollars the fee shall be arrived at by
73 16 computing to the nearest even dollar.

73 17 Sec. 90. Section 321.113, Code 2007, is amended to read as
73 18 follows:

73 19 321.113 AUTOMATIC REDUCTION.

73 20 1. The annual registration fee for a motor vehicle shall
73 21 not be automatically reduced under this section unless the
73 22 ~~registration~~ fee is based on the value and weight of the motor
73 23 vehicle as provided in section 321.109, subsection 1.

73 24 2. If a motor vehicle is more than five model years old,
73 25 the part of the annual registration fee that is based on the
73 26 value of the vehicle shall be seventy-five percent of the rate
73 27 as fixed when the motor vehicle was new.

73 28 3. If a motor vehicle is more than six model years old,
73 29 the part of the annual registration fee that is based on the
73 30 value of the vehicle shall be fifty percent of the rate as
73 31 fixed when the motor vehicle was new.

73 32 4. If a 1994 model year or newer motor vehicle is nine
73 33 model years old or older the annual registration fee is
73 34 thirty-five dollars. For purposes of determining the portion
73 35 of the annual registration fee under this subsection that is
74 1 based upon the value of the motor vehicle, sixty percent of
74 2 the annual registration fee is attributable to the value of
74 3 the vehicle.

74 4 5. a. If a 1993 model year or older motor vehicle has
74 5 been titled in the same person's name since the vehicle was
74 6 new or the title to the vehicle was transferred prior to
74 7 January 1, 2002, the part of the annual registration fee that
74 8 is based on the value of the vehicle shall be ten percent of
74 9 the rate as fixed when the motor vehicle was new.

74 10 b. If the title of a 1993 model year or older motor
74 11 vehicle is transferred to a new owner or if such a motor
74 12 vehicle is brought into the state on or after January 1, 2002,
74 13 the annual registration fee shall not be based on the weight
74 14 and list price of the motor vehicle, but shall be as follows:

74 15 (1) For a motor vehicle that is model year
74 16 1969 or older:..... \$ 16.00

74 17 (2) For a motor vehicle that is model year
74 18 1970 through 1989:..... \$ 23.00

74 19 (3) For a motor vehicle that is model year
74 20 1990 through 1993:..... \$ 27.00

74 21 For purposes of determining the portion of the annual
74 22 registration fee under this paragraph "b" that is based upon
74 23 the value of the motor vehicle, sixty percent of the annual
74 24 registration fee is attributable to the value of the vehicle.

74 25 Sec. 91. Section 321.117, Code 2007, is amended to read as
74 26 follows:

74 27 321.117 MOTORCYCLE, AMBULANCE, AND HEARSE FEES.

74 28 For all motorcycles the annual registration fee shall be
74 29 twenty dollars. For all motorized bicycles the annual

74 30 registration fee shall be seven dollars. When the motorcycle
74 31 is more than five model years old, the annual registration fee
74 32 shall be ten dollars. The annual registration fee for
74 33 ambulances and hearses shall be fifty dollars. Passenger car
74 34 plates shall be issued for ambulances and hearses.
74 35 Sec. 92. Section 321.119, Code 2007, is amended to read as
75 1 follows:
75 2 321.119 CHURCH BUSES.
75 3 For motor vehicles designed to carry nine passengers or
75 4 more which are owned and used exclusively by a church or
75 5 religious organization to transport passengers to and from
75 6 activities of or sponsored by the church or religious
75 7 organization and not operated for rent or hire for purposes
75 8 unrelated to the activities of the church or religious
75 9 organization, the annual registration fee shall be twenty-five
75 10 dollars.
75 11 Sec. 93. Section 321.121, Code 2007, is amended to read as
75 12 follows:
75 13 321.121 SPECIAL TRUCKS FOR FARM USE.
75 14 1. The annual registration fee for a special truck shall
75 15 be eighty dollars for a gross weight of six tons, one hundred
75 16 dollars for a gross weight of seven tons, one hundred twenty
75 17 dollars for a gross weight of eight tons, and in addition,
75 18 fifteen dollars for each ton over eight tons and not exceeding
75 19 eighteen tons. The annual registration fee for a special
75 20 truck with a gross weight registration exceeding eighteen tons
75 21 but not exceeding nineteen tons shall be three hundred
75 22 twenty-five dollars and for a gross weight registration
75 23 exceeding nineteen tons but not exceeding twenty tons the
75 24 annual registration fee shall be three hundred seventy-five
75 25 dollars. The additional annual registration fee for a special
75 26 truck for a gross weight registration in excess of twenty tons
75 27 is twenty-five dollars for each ton over twenty tons and not
75 28 exceeding thirty-two tons.
75 29 2. A person convicted of or found by audit to be using a
75 30 motor vehicle registered as a special truck for any purpose
75 31 other than permitted by section 321.1, subsection 76, shall,
75 32 in addition to any other penalty imposed by law, be required
75 33 to pay regular annual motor vehicle registration fees ~~upon~~ for
75 34 such motor vehicle.
75 35 Sec. 94. Section 321.123, unnumbered paragraph 1, Code
76 1 2007, is amended to read as follows:
76 2 All trailers except farm trailers, mobile homes, and
76 3 manufactured homes, unless otherwise provided in this section,
76 4 are subject to ~~a~~ an annual registration fee of ten dollars.
76 5 Trailers for which the empty weight is two thousand pounds or
76 6 less are exempt from the certificate of title and lien
76 7 provisions of this chapter. Fees collected under this section
76 8 shall not be reduced or prorated under chapter 326.
76 9 Sec. 95. Section 321.123, subsection 1, unnumbered
76 10 paragraph 1, Code 2007, is amended to read as follows:
76 11 Travel trailers and fifth-wheel travel trailers, except
76 12 those in manufacturer's or dealer's stock, shall be subject to
76 13 an annual registration fee of twenty cents per square foot of
76 14 floor space computed on the exterior overall measurements, but
76 15 excluding three feet occupied by any trailer hitch as provided
76 16 by and certified to by the owner, to the nearest whole dollar.
76 17 When a travel trailer or fifth-wheel travel trailer is
76 18 registered in Iowa for the first time or when title is
76 19 transferred, the annual registration fee shall be prorated on
76 20 a monthly basis. The annual registration fee shall be reduced
76 21 to seventy-five percent of the full fee after the vehicle is
76 22 more than six model years old.
76 23 Sec. 96. Section 321.125, Code 2007, is amended to read as
76 24 follows:
76 25 321.125 EFFECT OF EXEMPTION.
76 26 The exemption of a motor vehicle from ~~a~~ an annual
76 27 registration fee or a fee for new registration shall not
76 28 exempt the operator of such vehicle from the performance of
76 29 any other duty imposed on the operator by this chapter.
76 30 Sec. 97. Section 321.126, Code 2007, is amended to read as
76 31 follows:
76 32 321.126 REFUNDS OF ANNUAL REGISTRATION FEES.
76 33 Refunds of unexpired annual vehicle registration fees shall
76 34 be allowed in accordance with this section, except that no
76 35 refund shall be allowed and paid if the unused portion of the
77 1 fee is less than ten dollars. Subsections 1 and 2 do not
77 2 apply to vehicles registered by the county treasurer. The
77 3 refunds shall be made as follows:
77 4 1. If the vehicle is destroyed by fire or accident, or
77 5 junked and its identity as a vehicle entirely eliminated, the

77 6 owner in whose name the vehicle was registered at the time of
77 7 destruction or dismantling shall return the plates to the
77 8 department and within thirty days thereafter make a statement
77 9 of such destruction or dismantling and make claim for refund.
77 10 With reference to the destruction or dismantling of a vehicle,
77 11 no refund shall be allowed unless a junking certificate has
77 12 been issued, as provided in section 321.52.

77 13 2. If the vehicle is stolen, the owner shall give notice
77 14 of the theft to the department within five days. If the
77 15 vehicle is not recovered by the owner thirty days prior to the
77 16 end of the current registration year, the owner shall make a
77 17 statement of the theft and make claim for refund.

77 18 3. If the vehicle is placed in storage by the owner upon
77 19 the owner's entry into the military service of the United
77 20 States, the owner shall return the plates to the county
77 21 treasurer or the department and make a statement regarding the
77 22 storage and military service and make claim for refund.
77 23 Whenever the owner of a vehicle so placed in storage desires
77 24 to again register the vehicle, the county treasurer or
77 25 department shall compute and collect the fees for registration
77 26 for the registration year commencing in the month the vehicle
77 27 is removed from storage.

77 28 4. If the vehicle is registered by the county treasurer
77 29 during the current registration year and the owner or lessee
77 30 registers the vehicle for proportional registration under
77 31 chapter 326, the owner of the registered vehicle shall
77 32 surrender the registration plates to the county treasurer and
77 33 may file a claim for refund. In lieu of a refund, a credit
77 34 for the annual registration fees paid to the county treasurer
77 35 may be applied by the department to the owner or lessee's
78 1 proportional registration fees upon the surrender of the
78 2 county plates and registration.

78 3 5. A refund for trailers and semitrailers issued a
78 4 multiyear registration plate shall be paid by the department
78 5 upon application.

78 6 6. If a vehicle is sold or junked, the owner in whose name
78 7 the vehicle was registered may make claim to the county
78 8 treasurer or department for a refund of the sold or junked
78 9 vehicle's annual registration fee. Also if the owner of a
78 10 vehicle receives a vehicle registration fee credit under
78 11 section 321.46, subsection 3, and the credit allowed exceeds
78 12 the amount of the annual registration fee for the vehicle
78 13 acquired, the owner may claim a refund for the balance of the
78 14 credit. The refund is subject to the following limitations:

78 15 a. If a vehicle registration fee credit has not been
78 16 received by the owner of the vehicle under section 321.46,
78 17 subsection 3, the refund shall be computed on the basis of the
78 18 number of unexpired months remaining in the registration year
78 19 at the time the vehicle was sold or junked. The refund shall
78 20 be rounded to the nearest whole dollar. Section 321.127,
78 21 subsection 1, does not apply.

78 22 b. The refund shall only be allowed if the owner makes
78 23 claim for the refund within six months after the date of the
78 24 vehicle's sale, trade, or junking.

78 25 c. This subsection does not apply to vehicles registered
78 26 under chapter 326.

78 27 7. If the vehicle was leased and an affidavit was filed by
78 28 the lessor or the lessee as provided in section 321.46, the
78 29 lessor or the lessee, as applicable, may make a claim for a
78 30 refund with the county treasurer of the county where the
78 31 vehicle was registered within six months of the vehicle's
78 32 surrender to the lessor. The refund shall be paid to either
78 33 the lessor or the lessee, as specified on the application for
78 34 title and registration pursuant to section 321.20.

78 35 8. If the owner of the vehicle moves out of state, the
79 1 owner may make a claim for a refund by returning the Iowa
79 2 registration plates, along with evidence of the vehicle's
79 3 registration in another jurisdiction, to the county treasurer
79 4 of the county in which the vehicle was registered within six
79 5 months of the out-of-state registration. For purposes of
79 6 section 321.127, the unexpired months remaining in the
79 7 registration year shall be calculated on the basis of the
79 8 effective date of the out-of-state registration. However, for
79 9 the purpose of timely issuance of the refund, the claim for a
79 10 refund under this subsection is considered to be filed on the
79 11 date the registration documents are received by the county
79 12 treasurer.

79 13 9. Notwithstanding any provision of this section to the
79 14 contrary, there shall be no refund of proportional
79 15 registration fees unless the state which issued the base plate
79 16 for the vehicle allows such refund. If an owner subject to

79 17 proportional registration leases the vehicle for which the
79 18 refund is sought, the claim shall be filed in the names of
79 19 both the lessee and the lessor and the refund payment made
79 20 payable to both the lessor and the lessee. The term "owner"
79 21 for purposes of this section shall include a person in whom is
79 22 vested right of possession or control of a vehicle which is
79 23 subject to a lease, contract, or other legal arrangement
79 24 vesting right of possession or control in addition to the term
79 25 as defined in section 321.1, subsection 49.

79 26 Sec. 98. Section 321.127, subsection 1, Code 2007, is
79 27 amended to read as follows:

79 28 1. The refund of the annual registration fee for vehicles
79 29 shall be computed on the basis of the number of unexpired
79 30 months remaining in the registration year from date of filing
79 31 of the claim for refund with the county treasurer, computed to
79 32 the nearest dollar.

79 33 Sec. 99. Section 321.132, Code 2007, is amended to read as
79 34 follows:

79 35 321.132 WHEN LIEN ATTACHES.

80 1 The lien of the original annual registration fee attaches,
80 2 at the time the fee is first payable, as provided by law, and
80 3 the lien of all renewals of registration attach on the first
80 4 day of each succeeding registration year.

80 5 Sec. 100. Section 321.134, Code Supplement 2007, is
80 6 amended to read as follows:

80 7 321.134 MONTHLY PENALTY.

80 8 1. On the first day of the second month following the
80 9 beginning of each registration year a penalty of five percent
80 10 of the annual registration fee shall be added to the annual
80 11 registration fees not paid by that date and an additional
80 12 penalty of five percent shall be added the first day of each
80 13 succeeding month, until the fee is paid. A penalty shall not
80 14 be less than five dollars. If the owner of a vehicle
80 15 surrenders the registration plates for a vehicle prior to the
80 16 plates becoming delinquent, to the county treasurer of the
80 17 county where the vehicle is registered, or to the department
80 18 if the vehicle is registered under chapter 326, the owner may
80 19 register the vehicle any time thereafter upon payment of the
80 20 annual registration fee for the registration year without
80 21 penalty. The penalty on vehicles registered under chapter 326
80 22 shall accrue February 1 of each year. To avoid a penalty or
80 23 an additional penalty in the case of a delinquent
80 24 registration, if the last calendar day of a month falls on
80 25 Saturday, Sunday, or a holiday, the payment deadline is
80 26 extended to include the first business day of the following
80 27 month. For payments made through a county treasurer's
80 28 authorized website only, if the last day of the month falls on
80 29 a Saturday, Sunday, or a holiday, the electronic payment must
80 30 be initiated by midnight on the first business day of the next
80 31 month. All other electronic payments must be initiated by
80 32 midnight on the last day of the month preceding the delinquent
80 33 date.

80 34 2. The annual registration fee for trucks, truck tractors,
80 35 and road tractors, as provided in sections 321.121 and
81 1 321.122, may be payable in two equal semiannual installments
81 2 if the annual registration fee exceeds the annual registration
81 3 fee for a vehicle with a gross weight exceeding five tons.
81 4 The penalties provided in subsection 1 shall be computed on
81 5 the amount of the first installment only and on the first day
81 6 of the seventh month of the registration period the same rate
81 7 of penalty shall apply to the second installment, until the
81 8 fee is paid. Semiannual installments do not apply to
81 9 commercial vehicles, as defined under section 326.2, subject
81 10 to proportional registration, with a base state other than the
81 11 state of Iowa, as defined in section 326.2, subsection 1. The
81 12 penalty on vehicles registered under chapter 326 accrues
81 13 August 1 of each year except as provided in section 326.6.
81 14 The department shall not allow the annual registration fee for
81 15 a commercial vehicle registered under chapter 326 to be paid
81 16 in two equal semiannual installments for five years after the
81 17 registrant has paid the annual registration fee late for two
81 18 consecutive years.

81 19 3. If a penalty applies to ~~a~~ an annual vehicle
81 20 registration fee provided for in sections 321.121 and 321.122,
81 21 the same penalty shall be assessed on the fees collected to
81 22 increase the registered gross weight of the vehicle, if the
81 23 increased gross weight is requested within forty=five days
81 24 from the date the delinquent vehicle is registered for the
81 25 current registration period.

81 26 4. Notwithstanding subsections 1 through 3, if a vehicle
81 27 registration is delinquent for twenty=four months or more, a

81 28 flat penalty and fee shall be assessed for the delinquent
81 29 period in addition to the current annual registration fee.
81 30 The flat penalty and fee shall be one hundred fifty percent of
81 31 the current annual registration fee.

81 32 5. The department shall waive the penalties imposed by
81 33 this section for an owner who is in the military service of
81 34 the United States and who has been relocated as a result of
81 35 being placed on active duty on or after September 11, 2001.

82 1 The department shall adopt rules to implement this subsection,
82 2 including, if necessary, procedures for refunding penalties
82 3 collected prior to March 29, 2004.

82 4 Sec. 101. Section 321.135, Code 2007, is amended to read
82 5 as follows:
82 6 321.135 WHEN FEES DELINQUENT.

82 7 Except as otherwise provided, ~~delinquencies begin annual~~
82 8 ~~registration fees become delinquent~~ and penalties accrue the
82 9 first of the month following the purchase of a new vehicle,
82 10 and thirty days following the date a vehicle is brought into
82 11 the state.

82 12 Sec. 102. Section 321.151, Code 2007, is amended to read
82 13 as follows:
82 14 321.151 DUTY AND LIABILITY OF TREASURER.

82 15 The county treasurer shall collect the registration fee,
82 16 ~~the fee for new registration,~~ and penalties on each vehicle
82 17 registered by the county treasurer and shall be responsible on
82 18 the county treasurer's bond for such amount. The county
82 19 treasurer shall remit such amount to the treasurer of state as
82 20 provided in this chapter. Fees collected pursuant to
82 21 participation in county issuance of driver's licenses under
82 22 chapter 321M shall be governed by the provisions of that
82 23 chapter.

82 24 Sec. 103. Section 321.152, subsection 1, Code 2007, is
82 25 amended to read as follows:
82 26 1. Four percent of the total collection, excluding the
82 27 amount of any fee for new registration, for each annual or
82 28 semiannual vehicle registration and each duplicate
82 29 registration card or plate issued.

82 30 Sec. 104. Section 321.152, Code 2007, is amended by adding
82 31 the following new subsection:
82 32 NEW SUBSECTION. 5. One dollar from each fee for new
82 33 registration collected pursuant to section 321.105A.

82 34 Sec. 105. Section 321.159, Code 2007, is amended to read
82 35 as follows:
83 1 321.159 EXCEPTIONAL CASES == ANNUAL REGISTRATION FEE.

83 2 The department shall have the power to fix the annual
83 3 registration fee on all makes and models of motor vehicles
83 4 which are not now being furnished or upon which the statement
83 5 from the factory cannot be obtained.

83 6 For a current year model of a motor vehicle for which the
83 7 manufacturer or importer of the motor vehicle has not provided
83 8 the weight and list price, the department shall set the annual
83 9 registration fee at ten dollars greater than the annual
83 10 registration fee for the previous year model. Once the
83 11 manufacturer or importer provides the required information,
83 12 the information shall be used to set the annual registration
83 13 fee or the registration renewal fee for the succeeding
83 14 registration or registration renewal time for the motor
83 15 vehicle.

83 16 Sec. 106. Section 321.170, Code 2007, is amended to read
83 17 as follows:
83 18 321.170 PLATES FOR EXEMPT VEHICLES.

83 19 The department shall furnish, on application, free of
83 20 charge, distinguishing plates for motor vehicles exempted from
83 21 ~~a annual registration fee~~ fees and shall keep a separate
83 22 record thereof.

83 23 Sec. 107. Section 322G.4, subsection 2, unnumbered
83 24 paragraph 2, Code 2007, is amended to read as follows:
83 25 Refunds shall be made to the consumer and lienholder of
83 26 record, if any, as their interests appear. If applicable,
83 27 refunds shall be made to the lessor and lessee as follows:
83 28 the lessee shall receive the lessee's cost less a reasonable
83 29 offset for use, and the lessor shall receive the lease price
83 30 less the aggregate deposit and rental payments previously paid
83 31 to the lessor for the leased vehicle. If it is determined
83 32 that the lessee is entitled to a refund pursuant to this
83 33 chapter, the consumer's lease agreement with the lessor is
83 34 terminated upon payment of the refund and no penalty for early
83 35 termination shall be assessed. The department of revenue
84 1 shall refund to the manufacturer any use tax or fee for new
84 2 registration which the manufacturer refunded to the consumer,
84 3 lessee, or lessor under this section, if the manufacturer

84 4 provides to the department of revenue a written request for a
84 5 refund and evidence that the use tax or fee for new
84 6 registration was paid when the vehicle was purchased and that
84 7 the manufacturer refunded the use tax or fee for new
84 8 registration to the consumer, lessee, or lessor.

84 9 Sec. 108. Section 322G.12, unnumbered paragraph 1, Code
84 10 2007, is amended to read as follows:

84 11 A manufacturer who accepts the return of a motor vehicle
84 12 pursuant to a settlement, determination, or decision under
84 13 this chapter shall notify the state department of
84 14 transportation, report the vehicle identification number of
84 15 that motor vehicle within ten days after the acceptance, and
84 16 obtain a new certificate of title for the vehicle in the
84 17 manufacturer's name pursuant to section 321.46. In obtaining
84 18 a new certificate of title, the manufacturer shall title the
84 19 vehicle in the county of the transferor's residence and shall
84 20 be exempt from the registration fee requirements of section
84 21 321.46. ~~For purposes of chapter 423, a manufacturer's~~
~~84 22 acceptance of the return of a motor vehicle, as described in~~
~~84 23 this section, shall not be considered "use", as defined in~~
~~84 24 section 423.1 and the fee for new registration under section~~
84 25 321.105A. The new certificate of title, and all subsequent
84 26 registration receipts and certificates of title issued for the
84 27 motor vehicle, shall contain a designation indicating that the
84 28 motor vehicle was returned to the manufacturer pursuant to
84 29 this chapter or a similar law of another state. The state
84 30 department of transportation shall determine the manner in
84 31 which the designation is to be indicated on registration
84 32 receipts and certificates of title and may determine that a
84 33 "REBUILT" or "SALVAGE" designation supersedes the designation
84 34 required by this paragraph and include the "REBUILT" or
84 35 "SALVAGE" designation on the registration receipt and
85 1 certificate of title in lieu of the designation required by
85 2 this paragraph.

85 3 Sec. 109. Section 326.2, Code 2007, is amended by adding
85 4 the following new subsection:

85 5 NEW SUBSECTION. 11A. "Registration fee" means the annual
85 6 motor vehicle registration fee imposed pursuant to section
85 7 321.105, unless otherwise specified.

85 8 Sec. 110. Section 327I.26, Code 2007, is amended to read
85 9 as follows:

85 10 327I.26 APPROPRIATION TO AUTHORITY.

~~85 11 Notwithstanding section 423.43, and prior to the~~
~~85 12 application of section 423.43, subsection 1, paragraph "b",~~
~~85 13 there~~ There shall be deposited into the general fund of the
85 14 state and is appropriated to the authority from ~~eighty percent~~
~~85 15 of the revenues derived from the operation of section 423.26~~
85 16 the statutory allocations fund created under section 321.145,
85 17 subsection 2, the amounts certified by the authority under
85 18 section 327I.25. However, the total amount deposited into the
85 19 general fund and appropriated to the Iowa railway finance
85 20 authority under this section shall not exceed two million
85 21 dollars annually. Moneys appropriated to the Iowa railway
85 22 finance authority under this section are appropriated only for
85 23 the payment of principal and interest on obligations or the
85 24 payment of leases guaranteed by the authority as provided
85 25 under section 327I.25.

85 26 Sec. 111. Section 331.557, subsection 3, Code 2007, is
85 27 amended to read as follows:

85 28 3. Collect the use tax on vehicles subject ~~to registration~~
85 29 only to a certificate of title and on manufactured housing as
85 30 provided in sections section 423.14, and section 423.26, and
~~85 31 423.27, subsection 1.~~

85 32 Sec. 112. Section 423.5, subsection 3, Code 2007, is
85 33 amended to read as follows:

85 34 3. The use of leased vehicles, if the lease transaction
85 35 does not require titling or registration of the vehicle, on
86 1 the amount subject to tax as calculated pursuant to section
86 2 423.27 423.26, subsection 2.

86 3 Sec. 113. Section 423.36, subsection 8, paragraph b,
86 4 subparagraph (2), Code 2007, is amended to read as follows:

86 5 (2) Taxes imposed under ~~sections section 423.26 and 423.27~~
86 6 and chapter 423C.

86 7 Sec. 114. Section 423.57, Code Supplement 2007, is amended
86 8 to read as follows:

86 9 423.57 STATUTES APPLICABLE.

86 10 The director shall administer this subchapter as it relates
86 11 to the taxes imposed in this chapter in the same manner and
86 12 subject to all the provisions of, and all of the powers,
86 13 duties, authority, and restrictions contained in sections
86 14 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,

86 15 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
86 16 423.32, 423.33, 423.34, 423.35, 423.37, 423.38, 423.39,
86 17 423.40, 423.41, and 423.42, section 423.43, subsection 3 1,
86 18 and sections 423.45, 423.46, and 423.47.

86 19 Sec. 115. Section 423B.4, unnumbered paragraphs 2 and 3,
86 20 Code 2007, are amended to read as follows:

86 21 Payment of a local vehicle tax shall be evidenced by a
86 22 notation on the state registration certificate. The director
86 23 of the department of transportation shall prescribe by rule
86 24 the type of notation. A local vehicle tax shall not be
86 25 refunded even when annual state registration fees are
86 26 refunded.

86 27 Penalties for late payment which are comparable to the
86 28 penalties for late payment of annual state registration fees
86 29 shall be imposed by the ordinance imposing a local vehicle
86 30 tax. Willful violation of a local vehicle tax ordinance is a
86 31 simple misdemeanor.

86 32 Sec. 116. Section 455D.11C, subsection 1, Code 2007, is
86 33 amended to read as follows:

86 34 1. A waste tire management fund is created within the
86 35 state treasury. ~~Moneys For the fiscal year beginning July 1,~~
87 1 ~~2002, through the fiscal year beginning July 1, 2006, moneys~~
87 2 received from each five dollar surcharge on the issuance of a
87 3 certificate of title shall be deposited as provided in section
87 4 321.52A, ~~subsection 2~~ Code 2007. Notwithstanding section
87 5 8.33, any unexpended balance in the fund at the end of each
87 6 fiscal year shall be retained in the fund. Notwithstanding
87 7 section 12C.7, any interest or earnings on investments from
87 8 moneys in the fund shall be credited to the fund. Moneys from
87 9 the fund that are expended by the department in closing or
87 10 bringing into compliance a waste tire collection site pursuant
87 11 to section 455D.11A and later recouped by the department shall
87 12 be credited to the fund.

87 13 Sec. 117. Section 455G.3, subsection 1, Code 2007, is
87 14 amended to read as follows:

87 15 1. The Iowa comprehensive petroleum underground storage
87 16 tank fund is created as a separate fund in the state treasury,
87 17 and any funds remaining in the fund at the end of each fiscal
87 18 year shall not revert to the general fund but shall remain in
87 19 the Iowa comprehensive petroleum underground storage tank
87 20 fund. Interest or other income earned by the fund shall be
87 21 deposited in the fund. The fund shall include moneys credited
87 22 to the fund under this section, section ~~423.43~~ 321.145,
87 23 subsection 2, paragraph "a", and sections 455G.8, 455G.9,
87 24 and 455G.11, Code 2003, and other funds which by law may be
87 25 credited to the fund. The moneys in the fund are appropriated
87 26 to and for the purposes of the board as provided in this
87 27 chapter. Amounts in the fund shall not be subject to
87 28 appropriation for any other purpose by the general assembly,
87 29 but shall be used only for the purposes set forth in this
87 30 chapter. The treasurer of state shall act as custodian of the
87 31 fund and disburse amounts contained in it as directed by the
87 32 board including automatic disbursements of funds as received
87 33 pursuant to the terms of bond indentures and documents and
87 34 security provisions to trustees and custodians. The treasurer
87 35 of state is authorized to invest the funds deposited in the
88 1 fund at the direction of the board and subject to any
88 2 limitations contained in any applicable bond proceedings. The
88 3 income from such investment shall be credited to and deposited
88 4 in the fund. The fund shall be administered by the board
88 5 which shall make expenditures from the fund consistent with
88 6 the purposes of the programs set out in this chapter without
88 7 further appropriation. The fund may be divided into different
88 8 accounts with different depositories as determined by the
88 9 board and to fulfill the purposes of this chapter.

88 10 Sec. 118. Section 455G.6, subsection 4, Code 2007, is
88 11 amended to read as follows:

88 12 4. Grant a mortgage, lien, pledge, assignment, or other
88 13 encumbrance on one or more improvements, revenues, asset of
88 14 right, accounts, or funds established or received in
88 15 connection with the fund, including revenues derived from the
88 16 ~~use tax moneys credited under section 423.43~~ 321.145,
88 17 subsection 2, paragraph "a", and deposited in the fund or an
88 18 account of the fund.

88 19 Sec. 119. Section 455G.8, subsection 2, Code 2007, is
88 20 amended to read as follows:

88 21 2. ~~USE TAX STATUTORY ALLOCATIONS FUND. The revenues~~
~~88 22 derived from the use tax imposed under chapter 423, subchapter~~
~~88 23 III. The proceeds of the use tax moneys credited from the~~
88 24 ~~statutory allocations fund under section 423.43~~ 321.145,
88 25 subsection 2, paragraph "a", shall be allocated, consistent

88 26 with this chapter, among the fund's accounts, for debt service
88 27 and other fund expenses, according to the fund budget,
88 28 resolution, trust agreement, or other instrument prepared or
88 29 entered into by the board or authority under direction of the
88 30 board.

88 31 Sec. 120. Section 321.115, subsection 1, as enacted by
88 32 2007 Iowa Acts, chapter 143, section 12, is amended to read as
88 33 follows:

88 34 1. A motor vehicle twenty-five years old or older may be
88 35 registered as an antique vehicle ~~upon payment of. The annual~~
89 1 ~~registration fee is~~ the fee provided for in section 321.113,
89 2 321.122, or 321.124. The owner of a motor vehicle registered
89 3 under this subsection may display authentic Iowa registration
89 4 plates from the model year of the motor vehicle, furnished by
89 5 the person and approved by the department, in lieu of the
89 6 current and valid Iowa registration plates issued for the
89 7 vehicle, provided that the current and valid Iowa registration
89 8 plates and the registration card issued for the vehicle are
89 9 simultaneously carried within the vehicle and are available
89 10 for inspection to any peace officer upon the officer's
89 11 request.

89 12 Sec. 121. Section 321.173, as amended by 2008 Iowa Acts,
89 13 House File 2213, is amended by adding the following new
89 14 subsection:

89 15 NEW SUBSECTION. 3. This section does not apply to the fee
89 16 for new registration administered by the department of revenue
89 17 pursuant to section 321.105A.

89 18 Sec. 122. 2007 Iowa Acts, chapter 179, section 6, is
89 19 amended to read as follows:

89 20 SEC. 6. Section 423.57, Code 2007, as amended by this Act,
89 21 is amended to read as follows:

89 22 423.57 STATUTES APPLICABLE.

89 23 The director shall administer this subchapter as it relates
89 24 to the taxes imposed in this chapter in the same manner and
89 25 subject to all the provisions of, and all of the powers,
89 26 duties, authority, and restrictions contained in sections
89 27 423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
89 28 423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
89 29 423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,
89 30 423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
89 31 ~~3~~ 1, and sections 423.45, 423.46, and 423.47.

89 32 Sec. 123. Section 423.44, Code 2007, is repealed.

89 33 PART 5
89 34 CONTINGENT CONFORMING AMENDMENTS

89 35 Sec. 124. Section 423.5, subsection 3, Code 2007, as
90 1 amended by this division of this Act, is amended to read as
90 2 follows:

90 3 3. ~~The An~~ An excise tax at the rate of five percent is
90 4 imposed on the use of leased vehicles, if the lease
90 5 transaction does not require titling or registration of the
90 6 vehicle, on the amount subject to tax as calculated pursuant
90 7 to section 423.26, subsection 2.

90 8 Sec. 125. Section 423.43, subsection 1, as enacted by this
90 9 division of this Act, is amended to read as follows:

90 10 1. a. Except as provided in subsection 2, all revenue
90 11 arising under the operation of the use tax under subchapter
90 12 III shall be deposited into the general fund of the state.

90 13 b. Subsequent to the deposit into the general fund of the
90 14 state and after the transfer of such revenues collected under
90 15 chapter 423B, the department shall transfer one-sixth of such
90 16 remaining revenues to the secure an advanced vision for
90 17 education fund created in section 423F.2. This paragraph is
90 18 repealed December 31, 2029.

90 19 Sec. 126. The sections of 2008 Iowa Acts, House File 2663,
90 20 amending section 312.1, subsection 4, section 327I.26, section
90 21 423.5, subsection 3, section 455G.3, subsection 1, section
90 22 455G.6, subsection 4, and section 455G.8, subsection 2, Code
90 23 2007, are repealed.

90 24 Sec. 127. The sections of 2008 Iowa Acts, House File 2663,
90 25 amending section 312.2, subsection 14, section 321.34,
90 26 subsections 7, 10, 10A, 11, 11A, 11B, 13, 16, 17, 18, 19, 20,
90 27 20A, 20B, 21, 22, 23, and 24, section 423.43, and section
90 28 423.57, Code Supplement 2007, are repealed.

90 29 Sec. 128. The sections of 2008 Iowa Acts, House File 2663,
90 30 amending 2007 Iowa Acts, chapter 179, section 6, and providing
90 31 for such amendment's effective date, are repealed.

90 32 Sec. 129. CONTINGENT EFFECTIVE DATE. This part 5 of this
90 33 division of this Act takes effect only upon the enactment of
90 34 2008 Iowa Acts, House File 2663.

90 35 PART 6
91 1 EFFECT ON PRIOR LAW

91 2 Sec. 130. PRIOR USE TAX LIABILITY. The enactment of this
91 3 division of this Act does not affect a person's liability for
91 4 any use tax, penalty, or interest owed by the person prior to
91 5 the effective date of this division of this Act.

91 6 Sec. 131. EFFECTIVE DATE. The following sections of this
91 7 division of this Act take effect January 1, 2009:

91 8 1. The section amending section 321.115, subsection 1, as
91 9 enacted by 2007 Iowa Acts, chapter 143, section 12.

91 10 2. The section amending 2007 Iowa Acts, chapter 179.

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91 14

JOHN P. KIBBIE
President of the Senate

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91 19

PATRICK J. MURPHY
Speaker of the House

91 20

91 21

91 22 I hereby certify that this bill originated in the Senate and
91 23 is known as Senate File 2420, Eighty-second General Assembly.

91 24

91 25

91 26

91 27

MICHAEL E. MARSHALL
Secretary of the Senate

91 28

91 29 Approved _____, 2008

91 30

91 31

91 32

CHESTER J. CULVER
Governor

91 34